

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

700 North 10th Street, Room 258
Sacramento, CA 95814-0338
(916) 341-4200
(916) 341-4203 (FAX)
(916) 327-6318 (TDD)



December 21, 2006

Dear LIHEAP Service Providers:

Enclosed is your 2007 Low-Income Home Energy Assistance Program (LIHEAP) Contract, allocation spreadsheet, exhibits, and program eligibility guidelines (60% of State Median Income). The contract term is January 1, 2007 through December 31, 2007.

Please use the 2007 Program Year (PY) LIHEAP Income Eligibility Guidelines as a basis for determining income eligibility for services under the 2007 PY. California LIHEAP Automated Services System (CLASS) will continue to accept PY 2006 through December 2007. However to alleviate confusion and simplify the administration of program services of both the 2006 and 2007 LIHEAP Contracts during the 2007 calendar year, the income guidelines and benefit levels for the 2006 PY will be updated to match the guidelines and benefit levels for the 2007 PY.

CLASS will continue to accept 2006 PY LIHEAP applications at the existing 2006 PY benefit levels through close of business Tuesday, January 2, 2007. On Tuesday, January 9, 2007, the updates to CLASS will be complete and available to accept the input and processing of 2006 and 2007 PY LIHEAP applications. During the interim, you are encouraged to provide outreach and intake services using the 2007 SMI guidelines.

In absence of an approved 2007 Federal Budget, the 2007 LIHEAP Contract is currently being funded by means of a Continuing Resolution (CR). Given the strong likelihood for an extended period of CR funding, the Department of Community Services and Development (CSD) has incorporated new Contingency Funding (CF) provisions into the 2007 LIHEAP Contract. This will streamline future CR funding releases without the need to formally amend the fiscal consideration of the LIHEAP Contract. Under the CR contract provisions, CSD will release the 2007 LIHEAP Contract in the full amount based on the assumption of level funding for Fiscal Federal Year (FFY) 2007. In the absence of final appropriation, CSD will issue "Authorization to Expend" letters limiting the expenditures under the contract to the amounts equal to CR funding appropriations. CSD will amend the 2007 LIHEAP Contract once the final appropriation is determined to account for any reductions or increases in funding.

LIHEAP Service Providers
December 21, 2006
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The enclosed spreadsheets provide your total estimated contract allocation and the "Authorization Expenditure Level" based CR funding distributions to date. Contractors shall limit their expenditures under the 2007 LIHEAP Contract to the "Authorized Expenditure Level" until future CR funding releases are received.

In response to LIHEAP Service Provider recommendations, the attached document, "Draft 2007 LIHEAP Contract, Agency Comments and CSD Responses," provides a summary of the input received during the 30-day review period of the draft contract and includes CSD's response to each of the comments received. You will note that CSD received several comments/suggestions that were incorporated into the contract. Of significance were the comments received on changes to the ECIP component and the proposed definition of "emergency" used by the State Contracting Manual. CSD has rescinded the incorporation of the State Contracting Manual's definition and has tabled drafting of an emergency definition for future discussion by the Weatherization Task Force. The first meeting of the task force will be conducted in Sacramento on January 23, 2007 starting at 10 a.m. and ending on January 24, 2007 at noon.

My sincere appreciation to all LIHEAP Service Providers who actively participated in the development of the 2007 LIHEAP Contract and to the LIHEAP Service Providers who submitted comments on the draft contract. I look forward to our continued partnership in the 2007 Program Year and to the Weatherization Task Force's future discussions on issues related to CSD Energy Programs.

Sincerely,

Original signed by

WENDY WOHL
Chief Deputy Director

Enclosures

Sixty Percent of State Median Income for 2007 LIHEAP

Size of Family Unit or Number in Household	Federal Percentage of Base (\$41,626.00)	Monthly Income	Yearly Income
1	52%	\$1,803.79	\$21,645.52
2	68%	\$2,358.81	\$28,305.68
3	84%	\$2,913.82	\$34,965.84
4	100%	\$3,468.83	\$41,626.00
5	116%	\$4,023.85	\$48,286.16
6	132%	\$4,578.86	\$54,946.32
7	135%	\$4,682.93	\$56,195.10
8	138%	\$4,786.99	\$57,443.88
9	141%	\$4,891.06	\$58,692.66
10	144%	\$4,995.12	\$59,941.44
11	147%	\$5,099.19	\$61,190.22
12	150%	\$5,203.25	\$62,439.00
13	153%	\$5,307.32	\$63,687.78
14	156%	\$5,411.38	\$64,936.56
15	159%	\$5,515.45	\$66,185.34
Annual income amounts for family sizes greater than six persons were determined based on the following calculation: Add 3% to 132% for each additional family member; multiply the new percentage by the yearly dollar amount (\$41,626.00 four-person family). Example: Household size of 7: 132% + 3% = 135% x \$41,626.00= \$56,195.10 (rounded) / 12 = \$4,682.93 per month.			

State of California
Department of Community Services and Development
FY 2007 LIHEAP Initial Authorized Expenditure Level

County/Service Area	Contract Number	Total Authorized Expenditure Level
Alameda Co.		
1 Area A - City of Berkeley	07B-5401	113,049
2 Area B - Spectrum Community Services Inc.	07B-5402	653,515
3 Amador/Tuolumne Service Area - Amador-Tuolumne CAA		
Amador		53,905
Calaveras		60,409
Tuolumne		99,806
Service Area Total	07B-5403	214,120
4 Butte Co. - CAA of Butte County	07B-5404	311,521
5 Colusa Service Area - Glenn Co. Human Resource Agency		
Colusa		73,902
Glenn		99,190
Trinity		84,946
Service Area Total	07B-5405	258,038
6 Contra Costa Co. - Contra Costa Co. Community Services Department	07B-5406	481,412
7 Del Norte Co. - Del Norte Senior Center	07B-5407	124,630
8 El Dorado Service Area - El Dorado Co. Dept. of Human Services		
Alpine		9,406
El Dorado		209,025
Service Area Total	07B-5408	218,431
9 Fresno Co. - Fresno Co. Economic Opportunities Commission	07B-5409	1,133,008
10 Humboldt Co. - Redwood CAA	07B-5410	245,102
11 Imperial Service Area - Campesinos Unidos Inc.		
Imperial		204,435
San Diego - Area A		686,880
Service Area Total	07B-5411	891,315
12 Inyo Service Area - Inyo Mono Advocates for Community Action		
Inyo		62,853
Mono		82,220
Service Area Total	07B-5412	145,073
13 Kern Co. - CAP of Kern Co.	07B-5413	777,925
14 Kings Co. - Kings Community Action Organization	07B-5414	135,851
15 Lake Service Area - North Coast Energy Services		
Lake		204,580
Marin (WEATHERIZATION ONLY)		15,639
Mendocino		154,188
Napa		70,186
Solano		184,792
Sonoma		229,669
Yolo		179,071
Service Area Total	07B-5415	1,038,125
16 Lassen Co. - Lassen Economic Development Corporation	07B-5416	92,091
Los Angeles Co.		
17 Area A - Community Enhancement Services	07B-5417	1,324,742
18 Area B - Maravilla Foundation	07B-5418	1,765,744
19 Area C - Pacific Asian Consortium in Employment	07B-5419	1,055,855
20 Area D - Veterans in Community Services	07B-5420	1,591,059
21 Madera Co. - CAP of Madera County	07B-5421	148,996
22 Marin Co. - Community Action Marin (NON WEATERIZATION)	07B-5422	82,275

State of California
Department of Community Services and Development
FY 2007 LIHEAP Initial Authorized Expenditure Level

County/Service Area	Contract Number	Total Authorized Expenditure Level
23 Mariposa Co. - Mariposa Co. Human Services Department	07B-5423	121,344
24 Merced Co. - Merced Co. CAA	07B-5424	269,296
25 Modoc - T.E.A.C.H. (NON WEATHERIZATION/HALF ASSURANCE 16)	07B-5425	106,689
26 Nevada Co. - Nevada Co. Dept. of Housing & Community Services	07B-5426	131,008
27 Orange Co. - CAP of Orange County	07B-5427	920,007
28 Placer Co. - Project Go	07B-5428	194,075
29 Plumas Service Area - Plumas Co. Community Development Commission		
Plumas		99,796
Sierra		12,780
Service Area Total	07B-5429	112,576
30 Plumas CDC - Modoc Co. (WEATHERIZATION/HALF ASSURANCE 16)	07B-5430	23,642
31 Riverside Co. - CAP of Riverside County	07B-5431	1,149,531
32 Sacramento Service Area - Community Resource Project		
Sacramento		1,028,520
Sutter		88,937
Yuba		90,438
Service Area Total	07B-5432	1,207,895
33 San Benito Co. - Comm. Svcs. & Wkfs. Dev. (NON WEATHERIZATION)	07B-5433	108,625
34 San Bernardino Co. - CAP of San Bernardino County	07B-5434	1,380,118
35 San Diego Co. - Area B - MAAC	07B-5435	410,292
36 San Francisco Co. - EOC of San Francisco	07B-5436	647,164
37 San Joaquin Co. - San Joaquin Co. Dept. of Aging & Community Services	07B-5437	1,181,986
38 San Luis Obispo - EOC of San Luis Obispo	07B-5438	263,603
39 San Mateo - CAA of San Mateo County	07B-5439	281,997
40 Santa Barbara Co. - Community Action Commission of Santa Barbara Co.	07B-5440	290,174
41 Santa Clara Co. - Economic and Social Opportunities	07B-5441	692,365
42 Santa Cruz Service Area - Central Coast Energy Services		
Monterey		346,964
Santa Cruz		197,680
San Benito (WEATHERIZATION ONLY)		20,023
Service Area Total	07B-5442	564,667
43 Shasta/Tehama Service Area - SHHIP		
Shasta		266,882
Tehama		91,107
Service Area Total	07B-5443	357,989
44 Siskiyou Co. - Great Northern Corporation	07B-5444	177,049
45 Stanislaus Co. - CVOC	07B-5445	400,513
46 Tulare Co. - CSET	07B-5446	569,739
47 Ventura Co. - Community Action of Ventura Co.	07B-5447	292,101
TOTALS		24,656,322

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Sacramento, CA 95814
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December 21, 2006

To All Low-Income Home Energy Assistance Program Contractors:

2007 Low-Income Home Energy Assistance Program Contract

Enclosed is your agency's electronic contract packet for the 2007 Low-Income Home Energy Assistance Program. It includes an expanded table of contents and one complete copy of the contract (face sheet, exhibits, and attachments). The "Total Estimated FFY 2007 LIHEAP Allocation" spreadsheet is available on the CSD Contractors Only website.

In order to expedite the execution of your contract packet, please observe the following instructions, and feel free to use this letter as a checklist.

- ☐ Submit a governing board resolution with an **original signature of your board's authorized representative**. The board's resolution must identify whom it has authorized to sign the 2007 LIHEAP contract and any amendments.
- ☐ When you download your agency's contract from CSD Contractors Only website, please print two complete copies of the contract (face sheet, funding information page, and the exhibits and attachments listed below). Please print the pages **single-sided only**, not back-to-back. You may use the website's blank budget forms to complete your budget attachments.
- ☐ Complete the section labeled "CONTRACTOR'S NAME" on both face sheets. Print or type the name and title of the person who is authorized to sign the contract. Print the date signed. Ensure that **your agency's authorized representative has signed both face sheets**. Your agency's authorized representative is the person whom the governing board has specified in its resolution as the official representative to sign the 2007 LIHEAP contract and, if applicable, any amendments.
- ☐ The following exhibits are part of the contract packet. Please complete as applicable, and return all copies with the contract packet. Note: CSD has entered certain allocations Exhibit B, Attachments I, II, and III, as referenced below. **Do not alter these numbers.**

EXHIBIT A SCOPE OF WORK

- Attachment I ZIP Code Cross-Reference (for Los Angeles and San Diego Counties only)

EXHIBIT B BUDGET DETAIL AND PAYMENT PROVISIONS

- Attachment I 2007 LIHEAP Weatherization Budget
- Attachment II 2007 LIHEAP Assurance 16/Intake/ECIP/HEAP Budget
- Attachment III 2007 LIHEAP Nonconsideration Allocations
- Attachment IVECIP-FT, HEAP, Weatherization, Assurance 16, and Outreach Priority Plans
- Attachment V Reimbursement Rates for Weatherization and HCS Activities

EXHIBIT C GENERAL TERMS AND CONDITIONS

EXHIBIT D SPECIAL TERMS AND CONDITIONS

EXHIBIT E	<u>ADDITIONAL PROVISIONS</u>
EXHIBIT F	<u>PROGRAMMATIC PROVISIONS</u>
EXHIBIT G	<u>DEFINITIONS</u>
EXHIBIT H	<u>CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, STD. LLL.</u>

- ☐ Please return two complete copies of the contract packet to CSD, and arrange all pages--including the face sheets, exhibits, and all attachments--in the same order in which you received them. Include your board resolution, advance request, and, if desired, a transmittal letter, but please do not staple or otherwise attach these documents to the contracts themselves. If the insurance and fidelity bond documents you submitted another agreement with CSD are still in effect, you do not need to resubmit them. When the contract is fully executed, Contract Services Unit will mail you one of the copies for your records.
- ☐ Please return your completed contract packet within 30 days (45 days for public agencies) to:

Contract Services Unit
Department of Community Services and Development
700 North 10th Street, Room 258
Sacramento, CA 95814

Please keep in mind that in order for CSD to execute your contract, all of your agency's contract documents must be **complete**. Authorized persons must sign the board resolution and both face sheets. Except as waived for self-insured governmental entities, the Certificate of Liability Insurance must name CSD as the Certificate Holder and as an additional insured, except for workers' compensation and fidelity bond. Insurance documents that are on file at CSD must provide proof of current coverage, or you must replace them. Coverage must include workers' compensation insurance, fidelity bond, public liability, and vehicle insurance.

If you have questions regarding this contract process, you may contact Donna Fairchild of my staff at (916) 341-4275. For questions regarding insurance coverage, please contact Suelene Choy of my staff at (916) 341-4265. For questions regarding contractual requirements, reporting forms, or other requirements, please contact your Field Representative.

Sincerely,

Original signed by



Fernando Negrete
Manager, Contract Services Unit

FN:DGF
Enclosures

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
2007 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
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Draft 2007 LIHEAP Contract
- Agency Comments and CSD Responses -

	EXHIBIT	COMMENT	CSD RESPONSE
1	EXHIBIT B, page B8, Section C. 1)	Agency requested flexibility to utilize a "contractor equivalent" form in place of the Weatherization Building Assessment and Job Order Checklist (CSD Form 540).	The Department has approved this request and the contract was updated accordingly.
2	EXHIBIT B, page B10, Section d.vi.	Agency requested clarification to the following provision: "Reimbursement for diagnostic testing for work performed under ECIP HCS shall be included in the appliance repair or replacement line item for which the testing was performed." Additionally, the agency requested further clarification as to the treatment of diagnostic testing for reporting and reimbursement purposes.	Current ECIP HCS reporting and reimbursement policies do not require the separation of costs between diagnostic inspections and the costs for repair and replacement. Instead, Agencies are to report the combined cost totals for diagnostic inspections, repair, and replacements under the labor and material reimbursements by appliance type.
3	EXHIBIT B, page B16, Section D.	Agency expressed concern that the acronyms ECIS and ECIP were used interchangeably throughout the contract.	<p>In efforts to alleviate confusion, the Department changed Emergency Crisis Intervention Services (ECIS) to Severe Weather Energy Assistance and Transportation Services (SWEATS). The policy and procedures previously issued under ECIS will be updated accordingly to reflect the program component name change and will be available via the Department's website.</p> <p>As you may recall, SWEATS (formerly ECIS) designed to mitigate life-threatening conditions directly attributed to exposure to extreme hot or cold indoor air temperatures caused by a severe weather emergency or other crisis or bona fide emergency by availing such services as: transportation to cooling centers or hotels, the loaning of temporary and portable heating, cooling, and the loaning of power generating devices or appliances until such time when the emergency or crisis ends and/or more permanent weatherization measures can be repaired or installed by the Agency, whichever occurs first.</p>
4	EXHIBIT B, page B16, Section D. 2)	Two comments were received pertaining to: 1) the vagueness of the provision..."One travel credit per household is allowed for the delivery of the portable heating/cooling units and/or generators....," and 2) the provision did not address the "pick-up" of portable heating and cooling units.	The Department further defined within the contract the term "one travel credit" to mean "one round trip travel surcharge."

Draft 2007 LIHEAP Contract
- Agency Comments and CSD Responses -

	EXHIBIT	COMMENT	CSD RESPONSE
5	EXHIBIT D, page D3. Section 5.	Agency requested clarification and rationale for the licensing requirements under "Special Licensing - Weatherization" contract provisions.	<p>The licensing requirements in question is not new language, but rather language that previously existed under "Footnote 8" within Exhibit E of the 2006 LIHEAP Contract. The Department further clarified the contractual licensing language under Exhibit D by combining the language in both Section 5 - "Contractor Licensing" and Section 6 "Special Licensing - Weatherization." Additionally, the restriction requiring special licensing when two or more weatherization measures are not installed in a unit was removed in it's entirety.</p> <p>The modified language reads: "Contractor shall possess all applicable licenses as required by the CSLB to carryout the installation and/or repairs of Central HVAC systems, Furnace, and Boilers. Special licensing may also be required for the installation and/or repair of Evaporative Cooler, Oven and Range, Vented Space Heater, Gas and Electric Water Heaters, and electrical wiring upgrades and/or replacements."</p>
6	EXHIBIT E, page E6. Section 8. B.	Agency expressed concern regarding the Department's "Right to monitor all books, document, papers, and records."	The Department reserves the right to monitor and access LIHEAP records in accordance with applicable laws, regulations and OMB requirements. However, the department recognizes that the right to monitor and access should be limited to all reasonable information necessary to substantiate that expenditures under this agreement are allowable and allocable, including but not limited to books, documents, papers, and records. The Department updated the contractual language accordingly.
7	EXHIBIT F, page F3. Section 3. B. 2)	Agency requested: 1) clarification to Section 2 of Capacity and Responsibility to Provide Emergency Assistance which states "Contractor agrees to provide all reasonable information to enable CSD to assess the contractor's current energy crisis intervention program," and 2) whether this was different from the current ECIP Priority Plan process.	Yes, this is in addition to the LIHEAP Local Funding Proposal and the Priority Plan Process. To further clarify, the Department in its ongoing evaluation of the program, may as needed, request information from Agencies (via e-mail, telephone, correspondence, surveys, etc.) when an actual energy heating and/or cooling disaster occurs and to enable CSD to more effectively evaluate the program to either improve, coordinate or enhance the effectiveness of the ECIP program.
8	EXHIBIT F, page F5. Section E. and page 24. Section 10. K.	Agency asked what allowance if any would be provided for ECIP/Fast Track services during the summer months when temperatures could reach dangerous levels.	Consistent with past practices to mitigate the impacts of seasonal/weather related emergencies and sudden unexpected changes within the utility market, the department will consider extending flexibilities to include: benefit level modifications, modifications to assistance limit restrictions, and budget modifications.

Draft 2007 LIHEAP Contract
- Agency Comments and CSD Responses -

	EXHIBIT	COMMENT	CSD RESPONSE
9	EXHIBIT F, page F6. Section 4) b.	Agency requested clarification on contract provisions pertinent to defining "low energy burden" and thresholds excluding services under Agency evaluations of service priority as this information is pre-determined through the LIHEAP Local Plan and the Priority Planning process.	The Department agreed and has deleted the draft language. The contractual language returned to its original state which reads: "Contractors are discouraged from providing energy assistance benefits to households with an energy burden of less than five percent (5%)."
10	EXHIBIT F, page F6. Section F. 4. A.	Agency requested the rationale for providing ECIP/Fast Track services from January through March 15, 2007.	Energy crisis services are federally mandated from January through March 15 of each calendar year.
11	EXHIBIT F, page F14. Section 10. A. 2)	Agency indicated that the Program Standards as listed under the Weatherization and ECIP Activity Guidelines contradicts the policies between the WIS Manual and the LIHEAP Contract.	The department agreed and has modified the language to read; "In the event of disagreement between policies and field protocols contained within the Weatherization Installation Standard Manual, the Weatherization Policies and Procedures Manual, and this agreement, then Contractor shall abide by the terms of this agreement."
12	EXHIBIT F, page F18. Section 10), b.	Agency expressed concern with the prohibition from weatherizing master-metered dwellings unless direct savings to individual tenants can be documented.	<p>The department modified the language to read: "Contractor shall not weatherize any dwelling under this agreement, unless the property-owner agrees to all the terms and conditions of the Weatherization Service Agreement, CSD 540."</p> <p>The form Weatherization Service Agreement, CSD 540, is currently undergoing revisions to include all applicable tenant protections and owner responsibilities, which will include the specific requirement for property owners to pass on the energy-savings (resulting from weatherization services) to master-metered tenants. It is anticipated that the revised form CSD 540 will be released to the network by mid January 2007.</p>
13	EXHIBIT F, page F24. Section K. 1)	Agency submitted the following objection with regard to the practice of providing a portable heating appliance to a customer and taking it back again rather than leaving it with the customer. By leaving the portable heating appliance would enable the customer to heat one room instead of heating the whole house and save on energy when their main heating system is repaired or replaced.	The intent of the SWEATS policy is to facilitate and encourage an immediate response to those low-income clients at-risk to exposure to extreme indoor air temperatures. Such emergency services are to be viewed as temporary or interim measures only, and are not intended to serve as a permanent solution to serving the long-term heating/cooling need of low-income households beyond the present emergency or crisis.
14	EXHIBIT F, page F24. Section K. 3).	Agency requested definition for "summer months" when transporting clients to cooling centers or hotels.	The Department is unable to establish a singular definition for "summer season" or "summer seasons" due to the regional differences in climate zones. Therefore, the Department has modified the language to read: "Transportation to cooling centers or hotels is only allowable during a weather-related emergency or when a energy crisis occurs."

Draft 2007 LIHEAP Contract
- Agency Comments and CSD Responses -

	EXHIBIT	COMMENT	CSD RESPONSE
15	EXHIBIT G, page G3	Multiple agencies expressed concern with the "emergency" portion of the contract.	The Department modified the definition of emergency by rescinding the incorporated definition of emergency used by the State Contracting Manual. Further refinement of the emergency definition and other related language has been tabled for future discussion and vetting by the Weatherization Task Force.
16	EXHIBIT G, page G5	Agency requested clarification on the definitions for "High Residential Energy User" and "Household with High Energy Burden," and specifically where additional information could be obtained on "median level."	<p>"High Residential Energy User" and "Household with High Energy Burden" are terms which apply to DOE program and are defined at Title 10: Energy PART 440 — WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS, § 440.3 Definitions and are listed under § 440.1 Purpose and Scope.</p> <p>The Department has reviewed both definitions and determined that in the absence of defining both the median level and the criteria for defining high energy burden the use of these terms shall be deleted from the draft LIHEAP contract. The Department retained the definition provided under "Highest Home Energy Needs," which is defined in the LIHEAP Statute, as Amended Through August 1, 1999, under Section 2603.</p>
17		Agency commented that several "forms/templates" referred to in the contract do not have form numbers (CSD Hazardous Correction Work Plan (HCWP), CSD Weatherization deferral Form, Scope of Work, etc.). In addition, Agency asked whether these forms/templates would be distributed to the network with the contract or whether they will be provided on the website.	The Department is in the process of: 1) re-designing the CSD website to include a tab section dedicated to all CSD Energy related forms; 2) reviewing all forms to identify any outdated references within the LIHEAP Contract to forms no longer in use; and 3) insure that all required forms listed in the LIHEAP contract are made available on the CSD website. The Department anticipates that this process will be completed by mid January 2007.
	EXHIBIT	CSD INITIATED CHANGES	
18	EXHIBIT B, page B8, Section 4.C. 3)	<p>Maximum Average Reimbursement Rates - Increase</p> <p>Maximum Average Reimbursement Rate - HCS</p>	<p>In accordance with DOE rates, the Department updated the maximum average reimbursement rate from \$2,826 to \$2,885, and in the event of an emergency from \$3,250 to \$3,318.</p> <p>In the past, the contract imposed the maximum average reimbursement limit of \$4,316 for combined services including the repair or replacement of heating/cooling units delivered under emergency HCS services and weatherization services. The reimbursement limit of \$4316 was removed to provide greater flexibility in leveraging services between ECIP HCS and LIHEAP Weatherization.</p>
19	EXHIBIT B, ATTACHMENT V	Reimbursement Rates - Increase	The Department evaluated the reimbursement levels for heating/cooling appliance repair and replacements and increased reimbursement limits for all types of Air Conditioning System Repairs/Replacements.

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK

1. Contractor agrees to provide Weatherization (WX) assistance, Home Energy Assistance Program (HEAP) assistance, and Energy Crisis Intervention Program (ECIP) assistance to eligible participants residing in the service area described in Exhibit A, Section 2., pursuant to Title 42 of the United States Code (USC) Section 8621 et seq. (the Low-Income Home Energy Assistance Act of 1981, as amended, hereafter referred to as LIHEAP) and Government Code Section 16367.5 et seq., as amended.

The Low-Income Home Energy Assistance Program Catalog of Federal Domestic Assistance number is 93.568.

2. The services shall be performed in the following service area:

3. Send all correspondence and fiscal and programmatic reports to:

State Agency:	Department of Community Services and Development
Section/Unit:	Field Operations
Address:	700 North 10 th Street, Room 258 Sacramento, CA 95814
Phone:	(916) 341-4200
Fax:	(916) 327-3153

EXHIBIT A, ATTACHMENT I
ZIP CODE CROSS-REFERENCE
Updated January 17, 2007

COMMUNITY ENHANCEMENT SERVICES (CES)							MARAVILLA FOUNDATION				
*90020	90265	91207	91341	91406	91615		90004	90640	91106	91385	93552
90024	90272	91208	91342	91407	91616		90005	91001	91107	91386	93553
90025	90290	91209	91343	91408	91617		90010	91002	91108	91507	93563
90027	90292	91210	91344	91409			90016	91003	91109	91508	93584
90028	90294	91301	91345	91410			90018	91006	91110	91510	93585
90029	90295	91302	91346	91411			90019	91007	91114	91754	93586
90036	90296	91303	91352	91412			90022	91009	91115	91755	93590
90038	90401	91304	91353	91413			90023	91010	91116	91775	93591
90039	90402	91305	91356	91416			90026	91011	91117	91776	
90046	90403	91306	91357	91423			90031	91012	91118	91778	
90048	90404	91307	91361	91426			90032	91016	91214	91801	
90049	90405	91308	91362	91436			90033	91017	91221	91802	
90064	90406	91309	91364	91501			90034	91020	91222	91803	
90066	90407	91311	91365	91502			90035	91021	91224	91804	
90067	90408	91312	91366	91503			90040	91023	91225	91841	
90068	90409	91313	91367	91504			90041	91024	91226	91896	
90069	90410	91316	91372	91505			90042	91025	91310	91899	
90077	90411	91324	91376	91506			*90056	91030	91321	93243	
*90094	91040	91325	91392	91521			90058	91031	91322	93510	
90209	91041	91326	91393	91522			90063	91046	91350	93532	
90210	91042	91327	91394	91523			90065	91066	91351	93534	
90211	91043	91328	91395	91605			90201	91076	91354	93535	
90212	91201	91331	91396	91606			90202	91077	91355	93536	
90213	91202	91333	91401	91607			*90230	91101	91380	93539	
90231	91203	91334	91402	91608			*90232	91102	91381	93543	
90233	91204	91335	91403	91609			90270	91103	91382	93544	
90263	91205	91337	91404	91610			*90291	91104	91383	93550	
90264	91206	91340	91405	91614			*90293	91105	91384	93551	

CHANGES: ***ZIP Code updates effective January 1, 2007.**

EXHIBIT A, ATTACHMENT I
ZIP CODE CROSS-REFERENCE
Updated January 17, 2007

PACIFIC ASIAN CONSORTIUM IN EMPLOYMENT (PACE)				VETERANS IN COMMUNITY SERVICES, INC. (VICS)					**Los Angeles County ZIP Codes Served by CAP of Orange County
90001	90060	90307		90239	90670	90807	91722	91792	90631
90002	90061	90308		90240	90671	90808	91723	91793	90632
90003	90062	90309		90241	90701	90809	91724		90633
90006	*90071	90310		90242	90702	90810	91731		
90007	90220	90311		90255	90703	90813	91732		
90008	90221	90312		90262	90704	90814	91733		
90009	90222	90501		90274	90706	90815	91734		
90011	90223	90502		90275	90707	90822	91740		
90012	90224	90503		90280	90710	90823	91741		
90013	90245	90504		90601	90711	90831	91744		
90014	90247	90505		90602	90712	90832	91745		
90015	90248	90506		90603	90713	90833	91746		
90017	90249	90507		90604	90714	90834	91747		
90021	90250	90508		90605	90715	90835	91748		
90030	90251	90509		90606	90716	90840	91749		
90037	90254	90510		90607	90717	90842	91750		
90043	90260	90723		90608	90731	90844	91765		
90044	90261	90745		90609	90732	90845	91766		
90045	90266	90746		90610	90733	90846	91767		
90047	90267	90747		90631	90734	90847	91768		
90050	90277	90749		90637	90744	90848	91769		
90051	90278			90638	90748	90853	91770		
90052	90301			90650	90801	91702	91773		
90053	90302			90651	90802	91706	91780		
90054	90303			90652	90803	91711	91788		
90055	90304			90660	*90804	91714	91789		
90057	90305			90661	90805	91715	91790		
90059	90306			90662	90806	91716	91791		

CHANGES: *ZIP Code added.

**Orange County residents are serviced by Community Action Partnership of Orange County. All other residents are referred to the appropriate local service provider.

EXHIBIT A, ATTACHMENT I
ZIP CODE CROSS-REFERENCE
Updated January 17, 2007

METROPOLITAN AREA ADVISORY COMMITTEE (MAAC) San Diego Area B			CAMPESINOS UNIDOS, INC. (CUI) Imperial-San Diego Service Area A	
91901	92113		91941	92101
91902	92114		91942	92102
91905	92135		91945	92103
91906	92139		92003	92104
91910	92154		92004	92105
91911	92173		92007	92106
91913			92008	92107
91915			92024	92108
91916			92025	92109
91931			92026	92110
91932			92027	92111
91934			92028	92112
91935			92036	92115
91947			92037	92116
91948			92054	92117
91950			92055	92118
91963			92056	92119
91977			92059	92120
91978			92060	92121
91980			92061	92122
92009			92064	92123
92014			92065	92124
92019			92067	92126
92020			92068	92127
92021			92069	92128
92022			92070	92129
92040			92075	92130
92053			92082	92131
92066			92083	92133
92071			92084	92137
92079			92086	92145

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. **BUDGET CONTINGENCIES**

A. State Budget Contingency

- 1) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- 2) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

B. Federal Budget Contingency

- 1) It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- 2) This Agreement is valid and enforceable only if sufficient funds are made available to the state by the United States Government for the fiscal year 2006-2007 for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
- 3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- 4) The Department has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction in funds.

EXHIBIT B
(Standard Agreement)

- 5) The State shall authorize expenditures of funds under this Agreement based on the Continuing Resolution appropriations. CSD shall notify the Contractor in writing of authorized interval funding levels.
- 6) It is mutually agreed that if the Congress does not appropriate sufficient funds for this Program or appropriates additional funds, this Agreement shall be amended to reflect any increase in funds.

2. BUDGET GUIDELINES

A. Weatherization Waiver

Weatherization consideration to be paid Contractor for the months of January, February, March, and April, if applicable, will be calculated and reimbursed to Contractor to include administrative costs on sixty percent (60%) of the total Weatherization budget allocation. The remaining forty percent (40%) of the total budget for the remaining months to include administrative costs is totally contingent upon a Weatherization waiver being granted to CSD by the Federal Department of Health and Human Services (HHS) to allow Weatherization expenditure levels at twenty-five (25%) percent of the statewide allocation of the federal LIHEAP grant. Contractor will be notified by CSD, in writing, on the status of the waiver and disposition of the remaining funding immediately upon notification from HHS, which could occur May 1, 2007 or thereafter.

B. Nonconsideration Allocation

The total nonconsideration payable by the State to Contractor under this Agreement shall be allocated as shown on EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT III, 2007 LIHEAP NONCONSIDERATION ALLOCATIONS (CSD 516).

1) ECIP: Electric and Gas (Fast Track)

The total amount allocated to the ECIP Fast Track Program shall not be made a part of the total consideration for this Agreement but shall be for Contractor's use in accordance with the terms of this Agreement.

2) HEAP: Electric and Gas Allocation

The total amount allocated to the HEAP Electric and Gas Program shall not be made a part of the total consideration for this Agreement but shall be for Contractor's use in accordance with the terms of this Agreement.

EXHIBIT B
(Standard Agreement)

C. Advance Payments

- 1) Upon written request by the Contractor, the State may issue one working capital advance in an amount not to exceed 25 percent of the total amount of this Agreement. Contractor shall submit an advance payment request on agency letterhead or on the appropriate CSD LIHEAP reporting forms.
- 2) In the event this Agreement is amended to increase the consideration of this Agreement, a subsequent advance payment plus any previous advances already allowed shall not exceed 25% of the total amount of this Agreement. Subsequent advance payments may be authorized by the State if Contractor requests such an advance payment on agency letterhead or on the appropriate CSD LIHEAP reporting forms. The need for such additional advance payment shall be based upon a review of Contractor's cash flow status as recorded on Contractor's current monthly expenditure report(s).
- 3) The State will initiate repayment process of advance funds beginning with the seventh monthly reporting period of the contract term and ending with the twelve month of the contract term period, or whenever 75% of the total amount of this Agreement has been expended. The State shall begin applying approved expenditures to the outstanding advance balance, thereby offsetting any subsequent reimbursements. The State shall determine amounts to be offset by applying the balance of the advance equally into the remaining expenditure reporting periods. An exception may occur if the expenditure reports submitted are less than the applied settlement formula (as described in this section). In that case, the State shall apply the entire reimbursement amounts against the outstanding advance balance.

D. Subsequent Payments

Subsequent payments to Contractor shall be contingent upon receipt by the State of the monthly reimbursement and activity reports. If Contractor owes CSD any outstanding balances for overpayments of any contract, current or previous, the balance may be offset, based on arrangements made with the Contractor.

E. ECIP Payments - Electric and Gas (Fast Track)

Payment for applicant's electric and/or gas energy bills shall be made by CSD directly to the utility company or in the form of a dual-party warrant, payable to the applicant and the utility company.

EXHIBIT B
(Standard Agreement)

F. HEAP Payments – Electric and Gas

Payment for applicant's electric and/or gas energy bills shall be made by CSD directly to the utility company or in the form of either a dual-party warrant, payable to the applicant and utility company; or, in the case where the cost of energy is included in applicant's rent, a single-party warrant shall be made, payable to the applicant.

3. ALLOWABLE COSTS

A. Cost Reporting

All costs shall be reported using a "modified accrual" or "accrual" method of accounting.

B. Administrative

1) General

a. Administrative costs shall not exceed the amounts as set forth in Exhibit B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachments I and II. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Community Services Block Grant (CSBG) in excess of the CSBG contractual limitations.

b. Administrative Costs shall mean costs for auxiliary functions such as salaries, wages, workers compensation, and fringe benefits for administrative staff, facilities, utilities, equipment, telephone, travel, accounting, auditing, monitoring assistance, office supplies, and like services necessary to sustain the direct effort involved in administering a grant program or an activity providing services to the grant program.

2) Local governments shall use OMB Circular A-87 (Cost Principles for State and Local Governments) as a guide for determining administrative costs.

3) Private, nonprofit corporations shall use OMB Circular A-122 (Cost Principles for Nonprofit Organizations) as a guide for determining administrative costs.

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4) Assurance 16, ECIP, and HEAP

Administrative costs for Assurance 16, ECIP, and HEAP shall not exceed the amount as set forth on the funding information page attached to the face sheet of this Agreement and is contingent upon the expenditure of cumulative allowable expenditures for Assurance 16, ECIP and HEAP.

5) Weatherization

Weatherization administrative costs shall not exceed eight percent of the cumulative allowable program expenditures for Weatherization.

6) Travel

Travel and per diem costs related to the participation and attendance at policy advisory committees and work groups will be reimbursed as an administrative cost.

C. Program Costs

1) General

Program costs are all allowable costs other than Administrative Costs. Program costs include those costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by the State for the purpose of delivering services.

2) Outreach

Outreach shall be allocated at five percent (5%) of the total ECIP, HEAP, and Weatherization allocations, and actual reimbursement shall be limited to expenditures utilized for Outreach not to exceed the maximum allocation.

a. ECIP

Allowable costs include nonadministrative costs for outreach; its related services; Fast Track; wood, propane, and oil payments; liability insurance; vehicle equipment; workers' compensation; training; and Heating and Cooling Services (HCS).

b. HEAP Wood, Propane, and Oil

Allowable costs include nonadministrative costs for outreach; its related services; and wood, propane, and oil payments.

EXHIBIT B
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3) Intake

Intake shall be allocated at two percent (2%) of the total LIHEAP allocation and shall be reimbursed at actual cost up to two percent (2%) of the total LIHEAP contract allocation. Intake in excess of two percent (2%) may be charged as an administrative cost.

4) Assurance 16 Costs

Assurance 16 shall be allocated at five percent (5%) of the total allocation and shall be reimbursed for actual cost at up to five percent (5%), contingent upon the expenditure of the total contract allocation.

5) Direct Program Activities

Direct Program Activities shall mean those costs associated with the installation of measures to those dwellings weatherized and reported as completed, to include labor, materials, subcontractors, disposal fees, permits, HERS raters, lead-safe weatherization materials, and travel.

6) ECIP HCS

ECIP HCS shall mean those costs associated with heating and cooling repair and replacement services and other related costs, including costs associated with disposal fees, permits, HERS raters, lead-safe weatherization materials, and travel.

7) Workers Compensation

Workers Compensation shall mean those actual costs associated with workers compensation coverage for program staff whose salaries and wages are chargeable under program costs. Workers Compensation for salaries and wages of staff chargeable under administrative costs shall be reimbursable at actual costs under administrative costs.

8) Liability Insurance

Liability Insurance shall mean those costs allocated for insurance bonds, general liability, vehicle insurance, and pollution occurrence insurance (if applicable).

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- 9) Training - Weatherization and ECIP-HCS
- a. Training and technical assistance shall be allocated at two percent (2%) of the total Weatherization allocation and at two percent (2%) of the total ECIP allocation. Reimbursement shall be at actual cost up to two percent (2%) of the Weatherization allocation and up to two percent (2%) of the ECIP allocation.
 - b. Associated training and technical assistance costs may include costs related to: travel, admission, materials, and actual salaries/wages. On-the-job training is not reimbursable when the labor hours associated with the training are charged to a Weatherization measure for reimbursement.
 - c. Training and technical assistance shall include costs associated with the completion of Weatherization-related training such as: Lead-Safe Weatherization Training, Basic Weatherization Training, Environmental Hazardous Training, Blower Door Diagnostic Training, and Combustion Appliance Safety Training. Training may also include internal Contractor training, safety training, attendance of weatherization-related training, and/or workshops sponsored by utility companies, DOE, CSD, and/or other organizations offering a component of weatherization training.

4. REIMBURSEMENT GUIDELINES

A. Assurance 16

- 1) Assurance 16 costs and its related services include those costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by the State for the purpose of delivering services. Assurance 16 costs shall include needs assessment, client education, budget counseling, and coordination with utility companies.
- 2) Contractor may claim Assurance 16 costs for client education only once when LIHEAP and DOE funds and services are provided concurrently in the same unit.
- 3) Contractor may claim Assurance 16 costs for the occupants of each eligible unit not previously weatherized. Additionally, Contractor will be allowed to claim Assurance 16 costs when a safety check of combustion appliances reveals safety hazards that preclude tightening of the envelope.

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- 4) Contractor shall not claim Assurance 16 costs for client education unless the dwelling was previously weatherized by nonfederal funds, i.e., regulated or nonregulated utility companies, private-sector funds, etc., or by a weatherization service provider not associated with the provisions of this Agreement. If such circumstances exist, Contractor shall conduct client and shall claim Assurance 16 costs for the occupants of each eligible unit previously weatherized.

B. Cash Assistance Specific

- 1) HEAP Wood, Propane, and Oil

Contractor shall invoice the State for accrued HEAP Wood, Propane, and Oil expenditures and activities expenditures as required in accordance with the terms of this Agreement.

- 2) ECIP Wood, Propane, and Oil

Contractor shall invoice the State for accrued ECIP WPO expenditures (excluding Fast Track) as required in accordance with the terms of this Agreement.

C. Weatherization and HCS Specific

- 1) Contractor may claim reimbursement for Weatherization activities under the terms of this Agreement as documented on the Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent for each eligible household not previously weatherized.

- 2) Contractor shall ensure that duplicate billings for the same product or service do not occur.

- 3) Maximum Reimbursements

- a. Contractor shall be entitled to obtain a maximum average reimbursement of \$2,885 per dwelling unit weatherized for applying the conservation measures and activities described in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT V, Reimbursement Rates for Weatherization and HCS Activities.

- b. In the event that the Governor declares a State of Emergency or Local Emergency under Article 13 or 14 of the Emergency Services Act or any federal official declares an emergency

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pursuant to 42 UCS 8622(1), the maximum average reimbursement shall be \$3,318 per dwelling unit.

- c. For emergency ECIP HCS provided outside Contractor's normal business hours of operations, Contractor may exceed the maximum cost limits allowed for repair and replacement services. Contractor shall not request reimbursement for more than one heating and/or cooling unit repaired or replaced per household.

4) Measure Reimbursement

a. General

- i. Reimbursement for Weatherization or HCS activities shall be claimed only once when LIHEAP and DOE WAP, or any other funding source, are used concurrently in the same unit.
- ii. Contractor may divide the material cost of a single-measure between LIHEAP, DOE, or other CSD program, when the single-measure in question is installed in a dwelling where Weatherization or HCS services are provided concurrently under these programs.

b. Measure Maximums

- i. For those Weatherization and HCS measures that have an established maximum rate, the reimbursement amount shall be equal to the actual labor hours of Weatherization or HCS crew members at the approved labor rate and the actual cost of the materials up to the maximum rate.
- ii. Weatherization or HCS measure costs exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure or to minor envelope repair.
- iii. No other CSD program can be used to offset those costs that exceed the maximum for any measure charged under another CSD program.
- iv. When costs for a measure exceed the maximum reimbursement allowed, Contractor shall obtain from their field representative, on a case-by-case basis, prior written approval to exceed the maximum or the measure shall be

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deferred, at the Contractor's option, due to the additional costs.

c. Fixed Fee Measures

For dwellings where DOE and LIHEAP Weatherization services are provided concurrently, Contractor shall not divide the reimbursement of a LIHEAP WX fixed-fee reimbursable measure with DOE or any other CSD program.

d. Assessments and Diagnostics

- i. Contractor may claim reimbursement for assessment for each eligible household.
- ii. Contractor may claim reimbursement for dwelling assessment for each eligible unit not previously weatherized.
- iii. If a dwelling was previously weatherized under a nonfederal program, the dwelling and occupant eligibility must be recertified; therefore, Contractor may claim reimbursement for assessment of dwelling and charge for intake.
- iv. In the case of an unweatherized dwelling where the installation of measures was not feasible and/or the dwelling was not accessible to install measures, Contractor may claim reimbursement for any related assessments and/or diagnostic checks that were performed. Reimbursement for travel is not allowable.
- v. Contractor may claim reimbursement for dwelling assessment only once when LIHEAP and DOE funds are used concurrently in the same unit.
- vi. Reimbursement for diagnostic testing for work performed under ECIP HCS shall be included in the appliance repair or replacement line item for which the testing was performed.

5) Labor Reimbursement

- a. Contractor shall use the approved labor rate for all Weatherization crew labor expenses related to the direct

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delivery of Weatherization and HCS services. The approved labor rate includes travel time, down time, supervision, inspection, support staff hours, and related operating expenses; therefore, Contractor shall not bill additional labor hours for these costs.

- b. Contractor must be able to substantiate all actual labor hours and labor costs charged.
- c. Contractor shall not divide the labor costs associated with the installation of a single measure among LIHEAP, DOE, or another CSD program.
- d. If Contractor compensates Weatherization or HCS crew members using piecework as an alternative to hourly wages or salaries, Contractor shall contact CSD for instructions prior to commencing with services for the current program year.
- e. Actual Labor Hours
 - i. For measures that are not reimbursed by fixed fees, Contractor shall bill the number of actual labor hours associated with the installation of Weatherization and HCS measures for the time spent at the job site.
 - ii. Contractor shall bill the actual labor hours incurred by Weatherization and HCS crew members or other personnel associated with the direct facilitation of the disposal of appliances, the procurement of permits, and services performed by a Home Energy Rating System (HERS) Program Rater.
- f. Other Labor
 - i. Labor hours for other personnel are billable only if there are no billable hours for Weatherization or HCS crew members for these services. The approved labor rate will be allowable for Weatherization and HCS crew members only.
 - ii. When the installation of a measure is subcontracted and there are no billable labor hours for Weatherization or HCS crew members, Contractor

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shall bill, in addition to the subcontracted expenditure, actual labor hours incurred by other personnel associated with the direct facilitation of that subcontracted measure. The approved labor rate will not be allowable for other personnel under these circumstances. A modified fixed fee labor rate determined by the Contractor or actual labor costs shall be used. Any modified fixed fee labor rate that is to be used must be submitted for CSD for approval prior to requesting reimbursement for these costs.

- iii. When the installation of a measure is subcontracted and there are billable labor hours for Weatherization or HCS crew members who share in the installation of that subcontracted measure, Contractor shall bill, in addition to the subcontracted expenditure, the actual labor hours incurred by crew members at the approved labor rate.

6) Heating and Cooling Services (HCS)

- a. If during the course of repairing a defective unit, additional problems are found that would increase the cost of repairs to more than established limits for repairs, Contractor may claim reimbursement for incurred costs related to the repair in addition to those costs associated with the replacement of the heating/cooling appliance.
- b. Dwellings in which a single appliance has been both repaired and replaced within the same Weatherization and/or ECIP HCS component; or under a reweatherization call-back, may claim reimbursement for both the repair and the replacement of the appliance. Contractor shall report the single appliance as both a repaired and replaced appliance.
- c. For multi-unit dwellings with a common water heater, Contractor may claim reimbursement for only one water heater. Contractor may claim reimbursement for the actual number of water heater blankets used to wrap the common water heater. Contractor shall prorate the cost among all dwelling units.

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7) Other Program Reimbursements

a. Permit and Disposal Fees

Permit and disposal fees are acceptable expenses and may be charged only once to ECIP HCS, or LIHEAP Weatherization, or Department of Energy (DOE) Weatherization, per appliance or weatherization measure, per weatherized dwelling. Permit and disposal fee reimbursement does include crew member staff time and will be reimbursed based on the actual cost of the fee and actual labor hours.

b. Travel

Contractor shall be credited one round trip travel surcharge for any one dwelling weatherized. Contractor may claim mileage reimbursement for travel to Single Family Dwelling (SFD) and Multi-Unit Dwelling (MUD) Units in which travel exceeds a distance of 30 miles (one way) from Contractor's material storage site or headquarters. Contractor shall maintain records and source documentation in such a manner to substantiate mileage claims by individual dwelling weatherized. The following defines the conditions for mileage reimbursement applicable to dwellings weatherized:

i. Single Family Dwelling (SFD)

- (1) Contractor may claim one travel surcharge equivalent to one (1) labor hour for each completed, weatherized SFD Unit.
- (2) For SFD Units in excess of 30 miles (one way) from Contractor's material storage or headquarters, Contractor may claim mileage in addition to the SFD travel surcharge for each completed, weatherized SFD Unit. Contractor may claim mileage at a rate of \$0.77 per mile for each mile in excess of 30 miles (one way) or 60 miles round trip. Mileage reimbursement is limited to a single round trip, per completed SFD Unit; and Contractor may only claim the travel surcharge, fuel surcharge, and mileage

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reimbursement upon the completion of the SFD Unit.

ii. Multi-Unit Dwelling

- (1) Contractor may claim one MUD travel surcharge of \$3.00 for each completed, individual, weatherized unit within a MUD complex.
- (2) For MUD Units in excess of 30 miles (one way) from Contractor's material storage or headquarters, Contractor may claim mileage in addition to the MUD travel surcharge. Contractor may claim mileage at a rate of \$0.77 per mile for each mile in excess of 30 miles (one way) or 60 miles round trip. Mileage reimbursement is limited to a single round trip per day, for travel to a MUD regardless of the number of individual completed units.
- (3) All other travel-related expenses not directly related to the weatherization of dwellings are subject to reimbursement as described in EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 1. Travel and Per Diem.

c. Overhead

All overhead costs shall be charged at actual costs to the appropriate monthly expenditure reporting line items. All other overhead costs without a reporting line item shall be included in the approved labor rate.

d. Post-Weatherization Inspections

Contractor shall ensure that a total of 25% Post-Weatherization Inspections have been completed and that Contractor has not exceeded the maximum reimbursement amount allowable of 25% of the total weatherized dwellings per reporting period.

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e. Clearance Inspections

Should a clearance inspection be required, agencies should defer the costs of the clearance inspection to the property owner and/or local housing authority. In many cases, the local housing authority has licensed inspectors and may possibly conduct a clearance inspection of a HUD unit free of charge. However, in those instances where the property owner and/or the local housing authority are unable to incur the costs of the clearance inspection, Contractors may seek a waiver allowing the cost of the inspection as a reimbursable activity. Waiver requests will be treated on a case-by-case basis and must be approved by CSD prior to beginning weatherization services. A copy of the clearance inspection must be placed and maintained in the client's file.

8) Dwelling Status

a. Completed Units

- i. Contractor shall not report a weatherized dwelling as completed nor shall Contractor request reimbursement for a weatherized dwelling until all weatherization measures identified during the dwelling assessment have been installed and completed. Contractor shall not bill for incomplete units or prematurely close a unit with outstanding measures in order to receive reimbursement for work completed.
- ii. Contractor shall not report a dwelling as weatherized nor request reimbursement prior to the quality assurance certification confirming quality and completeness of work performed upon weatherized and HCS dwellings.
- iii. ECIP HCS

Dwelling units receiving services under ECIP HCS may be reported as completed and billed immediately upon the completion of ECIP HCS and regardless to the completion of other weatherization measures installed within the same dwelling.

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b. Unweatherized Dwellings

- i. Contractor may claim reimbursement for outreach and intake for each eligible unit not previously weatherized. Additionally, Contractor will be allowed to claim reimbursement when a safety check of combustion appliances reveals safety hazards that preclude installation of measures.
- ii. Contractor may claim reimbursement for weatherization activities as documented on the Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent for each eligible household not previously weatherized.

c. Previously Weatherized Dwellings

If the previous weatherization was performed under a nonfederal program or under this Agreement, the occupant eligibility must be certified; therefore, Contractor may claim outreach and intake costs.

d. Leveraged Units

Contractor may perform services and install energy conservation measures as per this Agreement and as per other energy programs concurrently in the same dwelling as feasible and in the best interest of the client; however:

- i. Contractor may not claim reimbursement for the same services performed and energy conservation measures(s) installed from more than one funding source.
- ii. Contractor may not split Fixed-Fee measures under LIHEAP with any other funding source.
- iii. Contractor may not split LIHEAP or ECIP HCS labor fees associated with a single measure with any other funding source.
- iv. Contractor may claim reimbursement for outreach and intake only once when DOE and LIHEAP funds are used concurrently in the same unit.

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D. Severe Weather Energy Assistance and Transportation (SWEAT) Specific

- 1) Reimbursement, repair, and maintenance of portable appliances held in reserve for loan to clients under the SWEAT program shall be charged within the billing period for which the expenditures are incurred.
- 2) One travel credit per household is allowed for the delivery of the portable heating and cooling units and/or generators.
- 3) Mileage for the transportation of clients to and from cooling centers or hotels is reimbursable at the current mileage rate.
- 4) Reimbursement for the public transportation and vehicles rented specifically for the sole purpose of transporting clients to cooling centers or hotels are reimbursable at actual costs.

5. REPORTING REQUIREMENTS

A. Monthly Reports

- 1) Contractor shall complete and submit to the State, on current monthly reports provided by CSD, Contractor's expenditures and activities for Weatherization, Assurance 16, Intake, ECIP, SWEAT, and HEAP (excluding Fast Track and HEAP Electric and Gas). Contractor shall ensure that the reports are submitted to CSD by entry onto the web-based, Expenditure Activity Reporting System (EARS) and received by the State on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditure in the preceding period.
- 2) Expenditures for Assurance 16, Intake, ECIP WPO, ECIP HCS, and HEAP shall be reimbursed through the LIHEAP Monthly Assurance 16/Intake/ECIP/HEAP Expenditure/Activity Report (CSD 670). Expenditures for Weatherization shall be reimbursed through the LIHEAP Monthly Weatherization Expenditure/Activity Report (CSD 680).
- 3) For disaster and/or emergency related expenditures, Contractor shall invoice the State for these expenditures using the "Other" line item on the LIHEAP Monthly Assurance 16/Intake/ECIP /HEAP Expenditure/Activity Report-(CSD 670).
- 4) All adjustments, if any, must be through EARS under the report period in which the expenditures occurred.

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B. CSD Review

- 1) The State shall review Contractor's monthly reimbursement/activity reports and evaluate Contractor's performance related to program and fiscal operations and its demonstrated ability to effectively utilize all funds available under this Agreement.
- 2) The issuance of other CSD contracts, including reimbursement payments to the Contractor, shall be contingent upon timely receipt of the required reports, and/or noncompliance of program requirements of this Agreement.

C. Close-out Report

Contractor shall submit, on the appropriate CSD forms, a close-out report and return all unexpended funds to the State within 90 calendar days after expiration of this Agreement. Administrative costs, outreach, intake, and training and technical assistance shall not exceed the maximum allowable amounts. Administrative and Assurance 16 costs shall remain proportionate to the cumulative allowable program expenditures. Any administrative and Assurance 16 costs that exceed these limits shall be disallowed. Subsequent payments for LIHEAP or other CSD contracts shall also be contingent upon timely receipt of the close-out report of this Agreement.

- 1) The close-out report shall include the following forms and be available on CSD's "Contractor's Only" website:
 - a. Close out checklist with authorized signature (CSD 733);
 - b. Excess Revenue/Interest Earned Reconciliation Report (CSD 733F); and
 - c. Equipment Inventory Schedule (CSD 733G).
- 2) Excess Revenue/Interest-Earned and Expended

Effective with this agreement, Contractors shall use 2006 PY (Program Year) and Prior Years LIHEAP Excess Revenue and Interest Earned Close-out Reconciliation (CSD 733F) to report actual costs, excess revenue and/or interest income earned and expended. Contractor must expend excess revenue and/or interest income to perform any allowable energy assistance or Weatherization LIHEAP activities. Excess Revenue/Interest earned and expended are subject to the expenditure and reimbursement guidelines for the program year in which expenditures occur.

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- 3) Any weatherization materials purchased with these grant funds and remaining at the expiration of this Agreement shall be credited against Contractor's weatherization materials expenditures under this Agreement and charged to whatever other weatherization program Contractor may have in effect. If Contractor has no other weatherization program in effect, the State shall be contacted for disposition instructions.

6. ATTACHMENTS TO THE CONTRACT

The following attachments to this exhibit are hereby attached to this Amendment and are hereby incorporated by this reference:

- | | | |
|----|----------------|--|
| A. | Attachment I | 2007 LIHEAP WEATHERIZATION BUDGET (CSD 557D); |
| B. | Attachment II | 2007 LIHEAP ASSURANCE 16/INTAKE/ECIP/HEAP BUDGET (CSD 537E); |
| C. | Attachment III | 2007 LIHEAP NONCONSIDERATION ALLOCATIONS (CSD 516); |
| D. | Attachment IV | ECIP-FT, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS (CSD 522G); and |
| E. | Attachment V | REIMBURSEMENT RATES FOR WEATHERIZATION AND HCS ACTIVITIES. |

**EXHIBIT B - ATTACHMENT I
2007 LIHEAP WEATHERIZATION BUDGET**

Contractor:		Contract Number:	Telephone Number:
Class "B" Contractor's License No.:	Name on License:		Expiration Date:
Prepared By:	E-mail Address:		Fax Number:
10 - ADMINISTRATIVE COSTS		COLUMN A	COLUMN B
1.	Administrative Costs	\$	\$
20 - OTHER PROGRAM COSTS			
2.	Liability Insurance	\$	\$
3.	Training and Technical (Not to exceed 2% of Section 40 Total Budget)		
4.	Vehicle and Equipment - Acquisition Costs		
5.	Total Other Program Costs	\$ -	\$ -
30 - PROGRAM COSTS			
6.	Intake (Eligibility Determination) (Up to 2% of Section 40 Total Budget)	\$	\$
7.	Direct Program Activities		
8.	Outreach (Must equal 5% - see instructions)		
9.	Workers' Compensation		
10.	Total Program Costs	\$ -	\$ -
40 - TOTAL BUDGET (Lines 1, 5, 10)		\$ -	\$ -
50 - TOTAL HOUSEHOLDS		#	#
55 - APPROVED LABOR RATE			\$

INSTRUCTIONS
EXHIBIT B – ATTACHMENT I
2007 LIHEAP WEATHERIZATION BUDGET
CSD 557D (Rev. 12/07/2006)

10 – ADMINISTRATIVE COSTS

Line 1 – Administrative Costs - Enter the amount of funds allocated for all Administrative Costs for Columns A and B. Administrative costs include salaries, wages, workers compensation, and fringe benefits for administrative staff, accounting, audit, intake (that exceeds the allowable 2% under Program Costs), equipment, facilities, office equipment and supplies, telephone, training and travel for administrative staff, utilities, and miscellaneous expenditures.

20 – OTHER PROGRAM COSTS

Line 2 - Liability Insurance - Enter the amount of funds allocated for insurance bonds, general liability, vehicle insurance, and pollution occurrence insurance (if applicable) in Columns A and B.

Line 3 – Training and Technical - Enter the amount of funds allocated for weatherization-related training and technical assistance, both internal and external, in Columns A and B. Costs include actual labor costs, training materials, admissions, and travel expenditures. Training costs must not exceed 2% of the total Weatherization Budget.

Line 4 - Vehicle and Equipment – Acquisition Costs - Enter the amount of funds allocated for acquisition cost (actual cost to purchase) of Vehicles and Equipment in Columns A and B. Include only those purchases that are over \$5,000 per unit.

Note: Written permission prior to the execution of a contract is required, for the purchase or lease for any articles, supplies, equipment, or services obtained from vendors or subcontractors where the per-unit cost is expected to exceed \$5,000, or when the total contract amount for articles, supplies or equipment is expected to exceed \$100,000.

Line 5 - Total Other Program Costs - Enter the sum of lines 2 through 4 for Columns A and B.

30 – PROGRAM COSTS

Line 6 – Intake - Enter the amount of funds allocated for Intake activities in Columns A and B.

Line 7 – Direct Program Activities - Enter the amount of funds allocated for Direct Program Activities in Columns A and B. Includes costs associated with the installation of measures including labor, materials, subcontractors, disposal fees, permits, travel and Duct Blasters.

Line 8 – Outreach - Enter the amount of funds allocated for Outreach activities in Columns A and B, i.e., flyers, brochures, advertisements, etc.

Note: Outreach is 5% of the total weatherization budget, excluding carryover. For Column A, this amount is 5% of the weatherization consideration to be paid to Contractor for the months of January through March (60% of the total weatherization budget allocation). For Column B, this amount is 5% of the total remaining amount (40% of the total weatherization budget allocation) to be paid contingent upon a approval of a weatherization waiver.

Line 9 - Workers' Compensation - Enter the amount of funds allocated for workers' compensation for program staff in Columns A and B. Do not include workers' compensation for salaries allocated to administrative costs.

Line 10 - Total Program Costs - Enter the sum of lines 6 through 9 for Columns A and B.

40 – TOTAL BUDGET

Enter the sum of lines 1, 5, and 10 for Columns A and B. Verify the total allocation as provided by CSD.

50 – TOTAL HOUSEHOLDS

Enter the number of households projected to be weatherized during the 2007 Program Year in Columns A and B.

55 – APPROVED LABOR RATE

The Contractor Approved Labor Rate has been entered by CSD.

EXHIBIT B - ATTACHMENT II
2007 LIHEAP ASSURANCE 16/INTAKE/ECIP/HEAP BUDGET

Contractor:		Contract Number:	Telephone Number:
Prepared By:	E-mail Address:		Fax Number:
10 - ASSURANCE 16 PROGRAM BUDGET			
1.	Assurance 16 Activities		\$
20 - INTAKE PROGRAM BUDGET (ECIP AND HEAP)			
2.	Intake (eligibility determination) (up to 2% of LIHEAP allocation, excluding Weatherization Intake)		\$
30 - ADMINISTRATIVE BUDGET (ASSURANCE 16, ECIP, AND HEAP)			
3.	Administrative Costs		\$
40 - ECIP PROGRAM BUDGET			
4.	ECIP Cooling Service Repair/Replacement Implementation Period from _____ to _____		\$
5.	ECIP Heating Service Repair/Replacement Implementation Period from _____ to _____		
6.	ECIP Heating and Cooling (HCS) - Other Program Costs		
7.	Severe Weather Energy Assistance and Transportation Services (SWEATS)		
8.	SUBTOTAL ECIP Heating and Cooling Services Budget (Lines 4 through 7)		\$ -
9.	Outreach (5% of total ECIP allocation)		\$
10.	Wood/Propane/Oil Payments Implementation Period from _____ to _____		
11.	Other ¹		
12.	Liability Insurance		
13.	Training and Technical		
14.	Vehicle and Equipment		
15.	Workers' Compensation		
16.	TOTAL ECIP Program Budget (Lines 8 through 15)		\$ -
50 - HEAP OUTREACH/WPO BUDGET			
17.	Outreach (5% total HEAP allocation)		\$
18.	Wood/Propane/Oil Payments		
19.	TOTAL HEAP Outreach/WPO Budget		\$ -
70 - TOTAL BUDGET (Lines 1, 2, 3, 16, and 19)			\$ -
100 - ECIP PROGRAM HOUSEHOLDS			
20.	Cooling Service Repair/Replacement		#
21.	Heating Service Repair/Replacement		#
22.	Wood/Propane/Oil Households		#
23.	Other ¹		#
24.	TOTAL ECIP Program Households		#
160 - HEAP WOOD/PROPANE/OIL HOUSEHOLDS			#

¹ Used only for households receiving emergency assistance.

**INSTRUCTIONS
EXHIBIT B – ATTACHMENT II
2007 LIHEAP ASSURANCE 16/INTAKE/ECIP/HEAP BUDGET
CSD 537E (Rev. 12/072006)**

10 – ASSURANCE 16 PROGRAM BUDGET

Line 1 – Assurance 16 Activities - Enter the amount of funds allocated for Assurance 16 Activities.

20 – INTAKE PROGRAM BUDGET (ECIP AND HEAP)

Line 2 – Intake - Enter the amount of funds allocated for Intake activities.

30 – ADMINISTRATIVE BUDGET (ASSURANCE 16, ECIP, AND HEAP)

Line 3 – Administrative Costs - Enter the amount of funds allocated for all Administrative Costs. Administrative costs include salaries, wages, workers compensation, and fringe benefits for administrative staff, accounting, audit, intake (that exceeds the allowable 2% under Program Costs), equipment, facilities, office equipment and supplies, telephone, training and travel for administrative staff, utilities, and miscellaneous expenditures.

40 – ECIP PROGRAM BUDGET

Lines 4 through 15 – ECIP Program Budget Line Items - Enter the amount of funds allocated for Cooling Source Repairs and Replacements, Heating Source Repairs and Replacements, Other ECIP HCS Program Costs, Outreach (limited to 5% of total ECIP allocation), Wood/Propane/Oil Payments, and Other (Households Receiving Emergency Assistance). Enter the amounts for liability insurance, training and technical assistance (limited to 2% of the total ECIP allocation), vehicle and equipment (include those purchases that are over \$5,000), and workers' compensation.

Note: Written permission prior to the execution of a contract is required, for the purchase or lease for any articles, supplies, equipment, or services obtained from vendors or subcontractors where the per-unit cost is expected to exceed \$5,000, or when the total contract amount for any articles, supplies, or equipment is expected to exceed \$100,000.

Actual labor hours associated with the diagnostics of a heating and/or cooling system shall be included in cooling and heating repairs and replacements only for those units that do **not** receive both ECIP and CSD Weatherization services. Other ECIP HCS Program Costs and Travel consist of disposal fees, permits, lead-safe weatherization materials, and travel. For disposal fees and permits, fees and actual labor hours for crew members only are allowable. Travel is allowable for only those units that do **not** receive both ECIP and CSD Weatherization services. Weatherization travel guidelines apply.

Line 16 – Total ECIP Program Budget - Enter the sum of lines 4 through 15.

50 – HEAP OUTREACH/WPO BUDGET

Lines 17 through 18 – Outreach and Wood/Propane/Oil Payments - Enter the amount of funds allocated for HEAP Outreach and WPO payments.

Line 19 – Total HEAP Outreach/WPO Budget - Enter the sum of lines 18 and 19.

70 – TOTAL BUDGET

Enter the sum of lines 1, 2, 3, 16, and 19.

100 – ECIP PROGRAM HOUSEHOLDS

Lines 20 through 23 – ECIP Program Households - Enter the number of projected Cooling Source Repairs and Replacements, Heating Source Repairs and Replacements, Wood/Propane/Oil Households, and Other (Households Receiving Emergency Assistance).

Line 24 – Total ECIP Program Households - Enter the sum of lines 21 through 24.

160 – HEAP WOOD/PROPANE/OIL HOUSEHOLDS

Enter the number of projected WPO Households to be served.

**EXHIBIT B - ATTACHMENT III
2007 LIHEAP NONCONSIDERATION ALLOCATIONS**

Contractor:		Contract Number:	Telephone Number:
Prepared By:	E-mail Address:		Fax Number:

80 - NONCONSIDERATION ECIP BUDGET

1	ECIP Electric and Gas (Fast Track) per County	Implementation Period from _____ to _____
2		\$
3		\$
4		\$
5		\$
6		\$
7		\$
8		\$
9	TOTAL	\$

90 - NONCONSIDERATION HEAP BUDGET

1	HEAP Electric and Gas Allocations per County
2	\$
3	\$
4	\$
5	\$
6	\$
7	\$
8	\$
9	TOTAL

95 - NONCONSIDERATION HEAP ESTIMATED NUMBER OF HOUSEHOLDS

1	HEAP Electric and Gas Estimated Number of Households per County
2	#
3	#
4	#
5	#
6	#
7	#
8	#
9	TOTAL

The total amount allocated to the Nonconsideration program has been entered by CSD and is not made part of the total consideration for this Agreement but shall be for Contractor's use as described in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, and EXHIBIT F, PROGRAMMATIC PROVISIONS.

**EXHIBIT B - ATTACHMENT IV
ECIP-FT, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS**

Contractor:		Contract Number:	
Prepared By (Print Name/Title):	E-Mail Address:	Telephone Number:	Fax Number:

SECTION 1 - ECIP-FT AND HEAP GOALS AND PERCENTAGES

ECIP			HEAP		
1.a	ECIP-FT Projected Vulnerable Populations:	%	1.c	HEAP Projected Vulnerable Populations:	%
1.b	ECIP-FT Projected Average Energy Burden:	%	1.d	HEAP Projected Average Energy Burden:	%

SECTION 2 - ECIP-FT AND HEAP ENERGY BURDEN RANGES AND POINTS

ECIP				HEAP			
Required	From	To	Points	Required	From	To	Points
Range 1:	0%			Range 1:	0%	%	
Range 2:	%	%		Range 2:	%	%	
Range 3:	%	%		Range 3:	%	%	
Range 4:	%	%		Range 4:	%	%	
Optional	From	To	Points	Optional	From	To	Points
Range 5:	%	%		Range 5:	%	%	
Range 6:	%	%		Range 6:	%	%	

SECTION 3 - ECIP-FT AND HEAP VULNERABLE POPULATIONS

ECIP-FT		HEAP	
Required	Points	Required	Points
Elderly (60 Years or Older)		Elderly (60 Years or Older)	
Disabled		Disabled	
2 Years or Under		2 Years or Under	
3 Years through 5 Years		3 Years through 5 Years	

SECTION 4 - ECIP-FT AND HEAP AGENCY DEFINED

ECIP-FT		HEAP	
Optional	Points	Optional	Points
1		1	
2		2	
3		3	
4		4	

SECTION 6 - WEATHERIZATION GOALS AND PERCENTAGES

6.a	Weatherization Projected Vulnerable Populations:	%
6.b	Weatherization Projected Average Energy Burden:	%

SECTION 7 - PRIORITY PLAN NARRATIVES

For all priority plans, refer to Exhibit F, Section 3. Applicant Eligibility and Service Priority of this Agreement, which outlines the service priorities for LIHEAP.

7.a	Weatherization: Please describe how you will select dwellings to be weatherized. Consider items such as health and safety issues, scheduling of units within close proximity, and ECIP and HEAP recipients whose homes have not been weatherized.
7.b	Assurance 16: Please describe how you will conduct Assurance 16 (needs assessment, client education, counseling, and coordination with utility companies) in your service area.
7.c.	Outreach: Please describe how you will conduct Outreach activities, i.e., outreach materials, advertising, printing, outreach mailers, travel to outreach sites and related facilities site costs, and referrals, in your service area.

INSTRUCTIONS

EXHIBIT B - ATTACHMENT IV

2007 ECIP-FAST TRACK, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS

Section 1. ECIP-Fast Track and HEAP - Goals and Percentages

Priority Plans should be structured to reflect your goals identified by the projections of energy burden goals and vulnerable populations goals. Goals should be determined through an analysis of prior year client data and projections of future goals.

- 1.a - Project the percentage of Vulnerable Populations to be assisted under ECIP-FT.
- 1.b - Project the average Energy Burden of clients assisted under ECIP-FT.
- 1.c - Project the percentage of Vulnerable Populations to be assisted under HEAP.
- 1.d - Project average Energy Burden to be assisted under HEAP.

Section 2. ECIP-Fast Track and HEAP - Energy Burden Range and Points

The Energy Burden ranges consist of a total of 6 ranges, with a beginning range of 0% and an ending range of 150%. Contractor must complete a total of 4 energy burden ranges by completing Range 1 through 4 and may at its option complete Range 5 or 6. Regardless of the number of ranges completed, the first range (#1) must begin at 0% and the ending range (either #4, 5, or 6) must end at 150%.

- Energy Burden Ranges must be sequential and rounded to the nearest tenth.
- Each Energy Burden range must have a different point value (two ranges can't have the same point value).
- Point values cannot contain decimals or fractions; they must be whole numbers.

The following example demonstrates these instructions:

ECIP-FT				
Required		From	To	Points
1	Range:	0%	8.90%	0
2	Range:	9%	14.90%	5
3	Range:	15%	22.90%	8
4	Range:	23%	150.00%	11

HEAP				
Required		From	To	Points
1	Range:	0%	11.90%	0
2	Range:	12%	17.90%	5
3	Range:	18%	23.90%	7
4	Range:	24%	150.00%	9

Section 3. Required ECIP-FT and HEAP - Vulnerable Populations

- All four Vulnerable Population Categories must be completed with an assigned point value.
- Point values for each category may be different depending on the focus of the agency's priorities.
- Point values must be represented in whole numbers. Do not use decimals or fractions.

Section 4. ECIP-Fast Track and HEAP - Optional Agency Defined

- Agency Defined Categories are optional.
- Positive or negative point values can be assigned to each category as defined by the agency.
For example, categories can include: life-threatening emergencies, life-support equipment, repeat customers, etc.
- One or all four Categories can be used.
- Use only whole numbers (do not use decimals or fractions).
- Agency-defined descriptions should be brief (not to exceed 30 characters total, including spaces).

Section 6. Weatherization Goals and Percentages

- 6.a - Project the percentage of Vulnerable Population households to be assisted with Weatherization services.
- 6.b - Project the average energy burden for households to be assisted with Weatherization services.

Section 7. Priority Plan Narratives

- For easy identification, priority plan narratives should be completed in separate sections and attached to Exhibit H.

PRIORITY PLAN NARRATIVES

1. Weatherization
2. Assurance 16
3. Outreach

EXHIBIT B
(Standard Agreement)

ATTACHMENT V: REIMBURSEMENT RATES FOR WEATHERIZATION AND HCS ACTIVITIES

1. REIMBURSEMENT RATES FOR WEATHERIZATION AND HCS ACTIVITIES

A.	Assessments/Diagnostics per Dwelling
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Following the dwelling assessment and diagnostic testing, all feasible Health and Safety Measures, Insulation Measures, and Mandatory Measures must be installed before Optional Measures are provided.

- | | | |
|----|---|------------------------------|
| 1) | Unit Assessments | |
| | Units with attics | \$65.00 ¹ |
| | Units without attics | \$40.00 ¹ |
| 2) | Combustion Appliance Safety Test (when applicable) | |
| | Pre-Test | \$70.00 |
| | Post-Test | \$40.00 |
| 3) | Blower Door Test (when applicable) | \$75.00 ² |
| 4) | Duct Leakage Test (with Duct Blaster when applicable) | |
| | Pre-Test | \$60.00 ^{3, 10} |
| | Post-Test | \$50.00 ^{3, 10} |
| 5) | Contractor Post Weatherization Inspection | Maximum 3 Hours ⁴ |
| | (Reimbursement of no more than 25% of the total weatherized dwellings is allowable for the actual time to perform the inspection activity and travel to and from the dwelling at the approved labor rate, up to a maximum of three hours per dwelling.) | |

B.	Health and Safety Measures per Dwelling
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Health or Safety Hazard Repair or Replacement, per dwelling: (Indicate on the Weatherization Building Assessment and Job Order Sheet, CSD 540, or Contractor's equivalent, what health or safety conditions are to be addressed.) Includes the repair of unsafe conditions identified as "Required Repairs" in the CSD Weatherization Installation Standards (WIS) and Combustion Appliance Safety Inspection Form (CASIF).

- | | | |
|----|--------------------------------------|-------------------------------|
| 1) | Carbon Monoxide Alarm | |
| | Line-cord or Hard-wired, one or more | Maximum \$189.00 ⁵ |
| | Lithium Battery, one or more | Maximum \$135.00 ⁵ |

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(Must be installed if there are operating carbon monoxide-producing appliances.)

- | | | |
|----|---|--|
| 2) | Gas Cooking Appliance
Repair and Maintenance | Maximum \$348.00 or 50% of
Replacement ^{6, 7, 8} |
| | Replacement, Range or Cook Top | Maximum \$695.00 ^{6, 7, 8} |
| 3) | Gas Water Heater
Repair | Maximum \$490.00 ^{6, 7, 8} or 50%
of Replacement |
| | Replacement, Closed Combustion | Maximum \$980.00 ^{6, 7, 8} |
| | Replacement, Open Combustion | Maximum \$980.00 ^{6, 7, 8} |
| 4) | Heating Source Repair | |
| | Exterior Wall Direct Vent Furnace | Maximum \$450.00 ^{6, 7, 8, 9, 10} |
| | Forced Air Unit (FAU), Split System | Maximum \$870.00 ^{6, 7, 8, 9, 10} |
| | Floor Furnace | Maximum \$518.00 ^{6, 7, 8, 9, 10} |
| | Interior Wall Furnace | Maximum \$660.00 ^{6, 7, 8, 9, 10} |
| | Mobile Home Furnace | Maximum \$618.00 ^{6, 7, 8, 9, 10} |
| | Other Types Not Listed | Max. \$1,000.00 ^{6, 7, 8, 9, 10, 11, 12} |
| | Package Unit (Dual Pack) | Maximum \$2,550.00 ^{6, 7, 8, 9, 10} |
| | Wood Fueled Appliance | Maximum \$900.00 ^{6, 7, 8, 9, 10, or}
30% of Replacement for all
heater types |
| 5) | Heating Source Replacement | |
| | Exterior Wall Direct Vent Furnace | Maximum \$1,500.00 ^{6, 7, 8, 10} |
| | Forced Air Unit (FAU), Split System | Maximum \$2,900.00 ^{6, 7, 8, 10} |
| | Floor Furnace | Maximum \$1,725.00 ^{6, 7, 8, 10} |
| | Interior Wall Furnace | Maximum \$2,200.00 ^{6, 7, 8, 10} |
| | Mobile Home Furnace | Maximum \$2,060.00 ^{6, 7, 8, 10} |
| | Other Types Not Listed | Maximum \$3,000.00 ^{6, 7, 8, 10, 11, 12} |
| | Package Unit (Dual Pack) | Maximum \$5,100.00 ^{6, 7, 8, 10} |
| | Wood-Fueled Appliance | Maximum \$3,000.00 ^{6, 7, 8, 10, 14} |

C. Mandatory Measures

If feasible, Insulation Measures must be installed prior to the installation of any other Mandatory and Optional Measures. Non-Priority Mandatory Measures including Infiltration Reduction, General Heat Waste, and Electric Base Load Measures need not be installed in priority order. All feasible Mandatory Measures must be installed before Optional Measures.

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PRIORITY - INSULATION MEASURES

- | | | |
|----|----------------------------------|--|
| 1) | Attic Venting, per dwelling | Maximum \$355.00 ^{5, 15} |
| 2) | Ceiling Insulation | Ceiling ⁵ Kneewall ⁵ |
| | R-11, per square foot | \$.54 \$.66 |
| | R-19, per square foot | \$.66 \$.74 |
| | R-30, per square foot | \$.74 N/A |
| | R-38, per square foot | \$.88 N/A |
| 3) | Duct Insulation, per square foot | \$.95 ⁵ |

NONPRIORITY - INFILTRATION REDUCTION MEASURES
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- | | | |
|----|---|---|
| 1) | Caulking, per dwelling | |
| | Mobile Home | \$90.00 ¹⁶ |
| | Multi Unit | \$45.00 ¹⁶ |
| | Single Family | \$75.00 ¹⁶ |
| 2) | Cover Plate Gaskets, per dwelling | \$33.00 ¹⁶ |
| 3) | Duct /Register Repair/Replacement, | Maximum \$1,223.00 per dwelling |
| 4) | Glass Replacement, per dwelling | Maximum \$350.00 ¹⁷ |
| 5) | Minor Envelope Repair, | Maximum \$887.00 ^{13, 16, 17, 18} per dwelling |
| 6) | Sliding Glass Door, per dwelling | |
| | Repair | Maximum \$400.00 |
| | Replacement | Maximum \$950.00 |
| 7) | Weatherstripping,
Hinged Exterior Door, per door | \$44.00 ¹⁶ |
| 8) | Weatherstripping,
Other, per linear foot | \$2.10 ^{16, 19} |
| 9) | Window Replacement | Maximum Average \$825.00 ¹⁷ |

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D.	General Heat Waste Measures
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- 1) Evaporative Cooler/Air Conditioner Vent Cover, per cover \$66.00 ¹⁶
- 2) Hot Water Flow Restrictor, per device

Faucet Restrictor	\$8.00 ⁵
Hand-Held Low-Flow Showerhead	\$35.00 ⁵
Low-Flow Showerhead	\$27.00 ⁵
- 3) Water Heater Blanket, per blanket \$40.00 ⁵
- 4) Water Heater Pipe Wrap, \$3.90 ⁵ per linear foot of pipe

E.	Electric Base Load Measures
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- 1) Compact Fluorescent Lamps

Hard-Wired, limit one per dwelling	Maximum \$85.00 ^{5, 27}
Thread-based Compact,	Maximum \$14.00 per bulb ^{5, 27}
Limit five per dwelling	Maximum of \$70 per dwelling
- 2) Electric Water Heater, per dwelling

Repair	Maximum \$350.00 ^{5, 8} or 50% of Replacement
Replacement	Maximum \$700.00 ^{5, 8}
- 3) Fluorescent Torchiere Lamp

Replacement, Limit one per dwelling	Maximum \$75.00 ^{5, 27}
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- 4) Refrigerator Replacement

	Maximum \$1,032.00 ^{5, 20, 28}
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F.	Optional Measures
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- 1) Ceiling Fans, per dwelling

	Maximum \$176.00 ⁵
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- 2) Air Conditioning (Electric Base Load)

Repair/Maintenance per dwelling	
Forced Air Unit (FAU), Split System	Max. \$1,100.00 ^{5, 6, 7, 8, 9, 10, 13, 20, 21}
Wall/Window Unit	Max. \$ 498.00 ^{5, 6, 8, 9, 10, 13, 20, 21} or 50% of Replacement for all cooling types

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- | | | |
|-----|---|--|
| 3) | Air Conditioning, Replacement, per dwelling | |
| | Central Unit | Maximum \$2,200.00 ^{5, 6, 7, 8, 10, 22} |
| | Multi-Story Wall Unit | Maximum \$995.00 ^{5, 6, 8, 10, 22} |
| | Multi-Story Window Unit | Maximum \$785.00 ^{5, 6, 8, 10, 22} |
| | Single-Story Wall Unit | Maximum \$680.00 ^{5, 6, 8, 10, 22} |
| | Single-Story Window Unit | Maximum \$520.00 ^{5, 6, 8, 10, 22} |
| 4) | Cooling Source Repair,
Other Types Not Listed | Maximum \$250.00 ^{5, 6, 9, 10, 11}
or 50% of Replacement
for all cooling types |
| 5) | Cooling Source Replacement,
Other Types Not Listed | Maximum \$500.00 ^{5, 6, 10, 11} |
| 6) | Electric Water Heater Timer, per timer | \$112.00 ⁵ |
| 7) | Evaporative Cooler Installation, per dwelling | |
| | New Roof Unit | Maximum \$1,100 ^{5, 6, 7, 8, 10, 22} |
| | New Wall Unit | Maximum \$850.00 ^{5, 6, 7, 8, 10, 22} |
| | New Window Unit | Maximum \$780.00 ^{5, 6, 7, 8, 10, 22} |
| | Replace Roof Unit | Maximum \$850.00 ^{5, 6, 7, 8, 10, 22} |
| | Replace Wall Unit | Maximum \$655.00 ^{5, 6, 7, 8, 10, 22} |
| | Replace Window Unit | Maximum \$655.00 ^{5, 6, 7, 8, 10, 22} |
| 8) | Evaporative Cooler | Maximum \$550.00 ^{5, 6, 7, 9, 10}
or 50% of Repair/Maintenance
Replacement for all cooler types |
| 9) | Microwave Oven, per dwelling | Maximum \$284.00 ^{5, 23, 26} |
| 10) | Floor Foundation Venting
(Crawl Space Venting) | Maximum \$360.00 ^{5, 15} |
| 11) | Floor Insulation | |
| | Over 36" clearance, per square foot | \$1.15 ^{5, 24} |
| | Under 36" clearance, per square foot | \$1.40 ^{5, 24} |
| 12) | Shadescreens, per square foot | \$3.30 ⁵ |
| 13) | Shutters, per square foot | \$6.00 ⁵ |
| 14) | Storm Windows, per square foot | |
| | Fixed, Glass Glazing | \$12.40 ¹⁶ |
| | Fixed, Polycarbonate | \$18.40 ¹⁶ |
| | Operable, Glass Glazing | \$13.90 ¹⁶ |

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	Operable, Polycarbonate	\$21.40 ¹⁶
	Other	Maximum \$750.00 ²⁹
15)	Thermostat, per dwelling	
	Manual	\$65.00 ^{5, 25, 27}
	Programmable	\$157.00 ^{5, 25, 27}
16)	Tinted Window Film,	\$3.30 ⁵ per square foot
17)	Wall Insulation, Stucco and Wood,	\$1.05 ⁵ per square foot

H.	Footnotes Section
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- 1 Unit assessments are charged for each completed unit in addition to applicable blower and/or duct testing.
- 2 Following a determination that no combustion byproduct hazards exist, preweatherization blower door testing is a mandatory activity on all mobile homes, manufactured homes, and all site-built dwellings with operable forced air units. At a minimum, Contractors must perform Blower Door Tests on 20 percent (20%) of weatherized Single-Family Dwellings and five percent (5%) of weatherized Multi-Unit Dwellings.
- 3 A duct leakage test using the Duct Blaster is a stand-alone test and may be performed in conjunction with the Blower Door Test for purposes of assessing outside air infiltration.
- 4 An inspection of twenty-five percent (25%) of the total number of dwellings weatherized under this Agreement must be completed in accordance with CSD Inspection Policies and Procedures. Reimbursement shall not exceed the maximum twenty-five percent (25%) limit. A maximum of 25% of the total dwellings reported in a reporting period shall be inspected and shall continue through the contract term. If due to rounding the number of required inspections does not equal 25%, the number of required inspections performed shall be rounded up and the maximum reimbursement limit will be increased accordingly. Reimbursement is allowable for the actual labor hours of the inspection activity including travel at the approved labor rate, up to a maximum of three hours per dwelling.
- 5 If a combustion appliance safety hazard or other unsafe conditions requiring repair is found to exist and cannot be repaired under the scope of the program, Contractor may apply the nonenvelope sealing measures identified by this note.

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- 6 May be classified as mandatory if safety hazard exists. May be installed as an optional measure if no safety hazard exists.
- 7 If required by the local jurisdiction, a building permit must be obtained and finalized for vented appliance installations (Furnace, Boiler, Water Heater, Oven and Range, and Vented Space Heater), Evaporative Cooler, Central HVAC, and Wood-Fueled Space Heater installations. A copy of the finalized permit must be placed in client's file.
- 8 Special licensing is required for the installation of Central HVAC systems, Furnace, and Boilers. Special licensing may also be required for the installation and/or repair of Evaporative Cooler, Oven and Range, Vented Space Heater, Air Conditioning, and Gas and Electric Water Heaters, if two or more weatherization measures are not installed in a single unit. Electrical wiring upgrade/replacement and knob-and-tube wiring certification will always require a C-10 license.
- 9 Repairs include cleaning and filter replacement.
- 10 These maximums apply to heating and cooling source repairs and replacements under ECIP HCS with the exceptions as noted in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Section 4. Reimbursement Guidelines, C. Weatherization and HCS Specific, item 3).
- 11 Costs that exceed the maximums in other categories of cooling and heating repairs and replacements cannot be charged to the line items reserved for other types of cooling and heating units not already listed.
- 12 Propane furnace repairs and replacements shall be reimbursed under Other Types Not Listed.
- 13 Energy Conservation Measures and Activity Definitions are included in the CSD weatherization installation standards, and EXHIBIT G, DEFINITIONS.
- 14 A wood-fueled space heater may only be installed if it is to be used to replace a fossil-fueled space heater and/or damaged or hazardous wood stove that cannot feasibly be repaired, i.e., cost of repair exceeds thirty percent (30%) of replacement cost or existing unit is not a listed and labeled stove.
- 15 Per dwelling, attic and floor foundation venting may only be performed in conjunction with ceiling and floor insulation, respectively.
- 16 When using a blower door in conjunction with weatherizing a dwelling, do not apply these measures if the infiltration is less than the Minimum Ventilation Requirement or if the economic stop point for air sealing has been reached. Does

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not apply to catastrophic leaks that are health and safety hazards, e.g., broken-out window, severely damaged door, etc.

- 17 Costs that exceed the maximums in Glass Replacement cannot be charged to Minor Envelope Repair or Window Replacement. The maximum reimbursement for Window Replacement is an average of all dwellings receiving new windows. If costs should occur such that the average maximum is exceeded for Window Replacements, the additional costs cannot be charged to Minor Envelope Repair or Glass Replacement.
- 18 When installing a Minor Envelope Repair Measure, the installation of deadbolt locks in conjunction with an exterior door replacement is allowable on rental units only. Reimbursement will be based on the material costs for the door, the deadbolt lock, and the labor.
- 19 Includes sliding glass doors. Does not include weatherstripping applied to attic and crawl space access hatches, to evaporative-cooler and air-conditioner covers, or to open combustion appliance enclosure doors. Expenditures for weatherstripping applied to covers and enclosure doors shall be charged under the appropriate appliance repair line item. When insulation is not installed, applies to access hatches and windows.
- 20 Technicians performing evacuation and charging of refrigerant must have EPA-approved certification as a Type II or Universal technician. Refrigerant shall be recovered, and all hazardous waste materials shall be disposed of in conformance with federal, state, and local codes.
- 21 Do not perform if dwelling has an operative evaporative cooler.
- 22 Electric Base Load Measures: Special training is a mandatory prerequisite for Contractors before performing Evaporative Cooler Installation and Window/Wall Air Conditioner Replacement. Contractor must contact CSD to schedule training.
- 23 Cabinet retrofits are only allowed for built-in microwaves that have been replaced and are reimbursable under Minor Envelope Repair.
- 24 Crawl space height shall be documented on the Weatherization Building Assessment and Job Order Sheet (CSD 540).
- 25 Manual Thermostats may be installed only if the old thermostat is inoperable and may be installed in lieu of Programmable Thermostats if it is determined that the client receiving such services will not be able to operate and maintain the Programmable Thermostat properly.
- 26 Microwaves may be installed in dwellings with gas cooking appliances.

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- 27 Contractors shall ensure the proper disposal of hazardous wastes products such as fluorescent light tubes, batteries, and mercury thermostats in accordance with the Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program); Final Rule.
- 28 CSD Policies and Procedures for electric base-load measures state that a replacement refrigerator may be replaced only if it was manufactured in 1992 or earlier. Documentation in the client file shall contain the manufacturer, make, and model of all replaced refrigerators.
- 29 May be used by those Contractors that find that the per-square-foot rate under the other storm window categories is too high in comparison to the actual cost of materials within its service area.

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS

PLEASE NOTE: This page will not be included with the final agreement. The General Terms and Conditions will be included in the Agreement by reference to Internet site: www.csd.ca.gov.

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS GTC 306

1. APPROVAL

This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required.

2. AMENDMENT

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. INDEMNIFICATION

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

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(Standard Agreement)

6. DISPUTES

Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. NON-DISCRIMINATION CLAUSE

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

EXHIBIT C
(Standard Agreement)

10. CERTIFICATION CLAUSES

The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 1005 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

11. TIMELINESS

Time is of the essence in this Agreement.

12. COMPENSATION

The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly provided.

13. GOVERNING LAW

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

14. CHILD SUPPORT COMPLIANCE ACT

“For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

- a) The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.”

15. UNENFORCEABLE PROVISION

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

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(Standard Agreement)

16. PRIORITY HIRING CONSIDERATIONS

If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. **TRAVEL AND PER DIEM**

- A. Contractor's employee travel costs and per diem reimbursement rates shall be reimbursed based on the Contractor's policies and procedures not to exceed federal per diem requirements.
- B. In absence of a travel policy, Contractor shall defer to the rules and regulations established in the California Code of Regulations Sections 599.615 through 599.638 and be reimbursed in accordance with the definitions, terms, and provisions contained therein.

2. **CERTIFICATIONS**

- A. Contractors' signature affixed hereon shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:
 - 1) Drug-Free Workplace Requirements, Contract Certification Clauses 10/05 (CCC-1005)
 - 2) National Labor Relations Board Certification (CCC-1005)
 - 3) Expatriate Corporations (CCC-1005)
 - 4) Domestic Partners (CCC-1005)
 - 4) Contractor Name Change (CCC-1005)
 - 5) Resolution (CCC-1005)
 - 6) Air or Water Pollution Violation (CCC-1005)
 - 7) Information Integrity and Security (Department of Finance, Budget Letter 04-35).

B. Internal Control Certification

Contractor shall ensure the establishment and maintenance of a system of internal accounting and administrative control. This responsibility includes documenting the system, communicating system requirements to employees, and assuring that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions. The system of internal accounting and administrative control shall include:

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- 1) Segregation of duties appropriate to safeguard state assets;
- 2) Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;
- 3) Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;
- 4) Established practices to be followed in performance of duties and functions;
- 5) Personnel of a quality commensurate with their responsibilities; and
- 6) Effective internal reviews.

3. CONFLICT OF INTEREST

- A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit that either directly or indirectly arises from this Agreement.
- B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose that could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

4. CODES OF CONDUCT

- A. Contractor shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts or subcontracts. No employee, officer, or agent of the Contractor shall participate in the selection, award, or administration of a subcontract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Contractor shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors or parties to subagreements. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.

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- B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in Office of Management and Budget Circular A-110, section 42.

5. CONTRACTOR LICENSING

Contractors that are nonprofit organizations and are performing weatherization activities under this Agreement certify that they possess and will continue to have an active Class "B" General Building Contractor license, issued in the agency's name/qualifying individual by the Contractors' State License Board (CSLB). Contractor shall notify CSD when any changes in licensing occur. Contractor shall possess all applicable licenses as required by the CSLB to carry out the installation and/or repairs of Central HVAC Systems, Furnaces, and Boilers. Special licensing may also be required for the installation and/or repair of Evaporative Coolers, Ovens and Ranges, Vented Space Heaters, Air Conditioning, Gas and Electric Water Heaters, and electrical wiring upgrades and/or replacements.

6. SPECIAL LICENSING - WEATHERIZATION

Special licensing is required for the installation of Central HVAC systems, Furnace, and Boilers. Special licensing may also be required for the installation and/or repair of Evaporative Cooler, Oven and Range, Vented Space Heater, Air Conditioning, and Gas and Electric Water Heaters, if two or more weatherization measures are not installed in a single unit. Electrical wiring upgrade/replacement and knob and tube wiring certification will always require a C-10 license.

7. AUDITING STANDARDS AND REPORTS

Contractor must follow all audit requirements as set forth in OMB Circular A-133 and the CSD Supplemental Audit Guide. The Supplemental Audit Guide may be accessed at www.csd.ca.gov.

A. Audit Reports

- 1) Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of OMB Circular A-133 for nonprofit and public agencies, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, 2003 Revision, as amended.

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(Standard Agreement)

- 2) The audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period. The audit reports are to be submitted to the following address:

Department of Community Services and Development
Attention: Audit Services Unit
700 North 10th Street, Room 258
Sacramento, CA 95814

- 3) Local governmental entities as well as private, nonprofit contractors shall submit to CSD a copy of the required audit report within nine months of the end of the Contractor's fiscal year. Upon written request by the Contractor's CPA, which includes an explanation of why the audit cannot be submitted within nine months of the end of the Contractor's fiscal year, CSD Audit Services Unit may grant an extension for submittal of the audit report not to exceed an additional 30 calendar days from the original due date.

- 4) Local governmental agencies also shall submit the required number of copies of the audit report in accordance with the guidelines set by the Division of Audits of the State Controller's Office. Said reports are to be submitted to the following address:

State Controller's Office, Division of Audits
300 Capitol Mall, Fifth Floor
Sacramento, CA 95814

- B. Where services or funds under this Agreement are provided to, for, or by a wholly owned, or wholly controlled subsidiary of Contractor, Contractor hereby provides assurance that an audit shall be performed of this subsidiary organization in accordance with this Section. Said required audit report shall be made available to the State upon request.

8. SUBCONTRACTS (CSD)

Contractor may enter into subcontract(s) to perform part or all of the direct services covered under this Agreement. Prior to the commencement of subcontracted services under this Agreement, Contractor shall obtain board approval, to include but not be limited to an assurance that the subcontractor agreement(s) shall comply with all terms, conditions, assurances, and certifications of this Agreement for the nonprofit and local governmental agencies performing services in the area(s) described in EXHIBIT A, SCOPE OF WORK, Section 2.

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- A. Contractor shall provide written notification to the State within 60 calendar days of execution of each subcontractor agreement the name of the subcontractor entity, its address, telephone number, contact person, contract amount, and program description of each subcontractor activity to be performed under this Agreement.
- B. Contractor shall immediately notify subcontractor(s) in writing within five days of such action in the event the State suspends, terminates, and/or makes changes to the services to be performed under this Agreement.
- C. Contractor is the responsible party and shall remain liable for the performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse to the State, regarding the settlement and satisfaction of all contractual and administrative issues arising out of subcontract agreement(s) entered into in support of this Agreement, including disputes, claims, or other matters of a contractual nature as well as civil liability arising out of negligence or intentional misconduct of the subcontract(s).
- D. Nothing contained in this Agreement or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.
- E. Contractor shall ensure compliance with the audit requirements as described in EXHIBIT C, GENERAL TERMS AND CONDITIONS, Section 4. AUDIT, and EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 6. AUDIT STANDARDS AND REPORTS, contained within this Agreement.

9. INSURANCE AND FIDELITY BOND

- A. General Requirements
 - 1) By execution of this Agreement, Contractor agrees that the below-required insurance policies and bond shall be in effect at all times during the term of this Agreement.
 - 2) Contractor shall provide the State with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement.

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- 3) In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide, at least 30 calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.
- 4) New Certificates of Insurance are subject to review for content and form by CSD.
- 5) In the event Contractor fails to keep in effect at all times the specified insurance and bond coverage as herein provided, the State may, in addition to any other remedies it may have, suspend this Agreement.
- 6) With the exception of workers' compensation and fidelity bond, the State shall be named as additional insured on all certificates of insurance required under this Agreement.
- 7) The issuance of other CSD contracts, to include reimbursement payments, to the Contractor may be contingent upon required current insurance coverage being on file at CSD for this Agreement.

B. Self-Insurance

- 1) When Contractor is a self-insured governmental entity, the State, upon satisfactory proof, may waive the appropriate insurance requirements upon written certification. An appropriate county or city risk manager shall sign this certification that shall contain assurance of the adequacy of the governmental entity's ability to cover any potential losses under this Agreement.
- 2) Contractor shall specify in writing a list of which coverage(s) will be self-insured under this Agreement and shall list all applicable policy numbers, expiration dates, and coverage amounts.
- 3) In the case that the Contractor's self-insurance coverage does not contain any changes from the prior year, CSD will accept a certified letter signed by authorized personnel; stating that no changes have occurred from the last year. This letter is due at the time of contract execution or within 30 days of expiration of insurance.
- 4) Should Contractor utilize a subcontractor(s) to provide services under this Agreement, Contractor shall indemnify and hold the State harmless against any liability incurred by that subcontractor(s).

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C. Workers' Compensation Insurance

- 1) Contractor shall have and maintain for the term of this Agreement workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.
- 2) Contractor shall submit either an applicable Certificate of Insurance (ACORD 25) or a Certificate of Consent to Self-Insure issued by the Director of the Department of Industrial Relations to the State as evidence of compliance with the workers' compensation insurance requirement prior to issuance of an initial cash advance.

D. Fidelity Bond

- 1) Contractor shall maintain a fidelity bond in the minimum amount of four percent of the total amount of consideration set forth under this Agreement.
- 2) Contractor shall submit an applicable Certificate of Insurance (ACORD 25) to the State as evidence of compliance with the fidelity bond requirement prior to issuance of an initial cash advance.

E. General Liability Insurance

- 1) Contractor shall have and maintain for the term of this Agreement general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.
- 2) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), naming CSD as an additional insured, to the State as evidence of compliance with general liability insurance requirements prior to issuance of an initial cash advance.

F. Vehicle Insurance

- 1) Contractor shall have and maintain for the term of this Agreement vehicle insurance in the amount of \$500,000 for each person and each accident for bodily injury and in the amount of \$500,000 for each person and each accident for property damage.
- 2) When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement nonowned and hired-auto liability insurance in the amount of \$500,000 for each person and each accident for bodily injury and \$500,000 for each person and each accident for property damage. (Driving to and from work is not within the scope of employment.)

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- 3) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to the State as evidence of compliance with said vehicle insurance requirements prior to issuance of an initial cash advance.

10. SPECIAL CONDITIONS FOR ENTITIES NOT MEETING TERMS OF THE AGREEMENT

A. Suspension

- 1) The State may, upon reasonable notice to Contractor or Subcontractor, suspend this Agreement in whole or in part. In the case of Contractor's fraud or gross negligence, suspension without prior notice by the State is permissible.
- 2) If Contractor has failed to comply with the material terms of this Agreement, the State shall:
 - a. Notify the Contractor in writing by certified mail or personal service;
 - b. Specify the effective date of the suspension;
 - c. Specify the reasons for the suspension and what corrective action is expected;
 - d. Give a specified period of time in which to take corrective action; and
 - e. Inform the Contractor that if the corrective action is not taken within the specified time frame, the State will terminate the contract.
- 3) A suspension shall remain in effect until Contractor has taken corrective action satisfactory to the State.
- 4) New obligations, including costs for goods, services, or related expenses, incurred by Contractor under this Agreement during the suspension period will not be allowed unless expressly authorized by the state in the notice of suspension.

B. Imposed Special Conditions

- 1) CSD will implement Imposed Special Conditions on a progressive basis, which may include:

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- a. Additional training and technical assistance;
 - b. Additional reporting requirements; and
 - c. Formal high-risk designation and possible suspension and termination.
- 2) Based on the severity and frequency of the identified circumstances, CSD may impose any one or more Special Conditions. Should Special Conditions be warranted, CSD shall send the Contractor a written Notice of Special Conditions, which shall contain the following information:
- a. The nature of the Special Condition(s) and/or Sanction(s) being imposed;
 - b. The reason(s) for imposing Special Condition(s) and/or Sanction(s); and
 - c. The corrective actions that must be taken and the time allowed for completing them before CSD removes the Special Condition(s) and/or Sanction(s).

C. Termination

- 1) Either party may terminate this Agreement at any time prior to its date of expiration upon 30 calendar day's notice to the other party. Such notice shall be delivered to the other party in writing, stating the reason for termination and the effective date thereof.
- 2) Upon termination of this Agreement, the State, unless expressly granted in writing, shall not pay Contractor for any obligations incurred after the effective date of such termination. Contractor shall be paid for work performed prior to termination, as long as the work was performed according to the covenants contained herein at the time and in the manner provided herein.

D. Lien Rights

The State retains lien rights on all funds advanced.

11. APPEAL PROCESS WHEN SPECIAL CONDITIONS ARE IMPOSED

- A. When Special Conditions are imposed, Contractor may submit documentation in opposition and request reconsideration by filing a written statement within five (5) working days after receipt of the Notice of Special Conditions. The written

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statement must set forth the issue in dispute, state why the Special Conditions should not be imposed, and provide supporting documentation. The written statement must be mailed, faxed, or hand delivered to:

Department of Community Services and Development
Attention: Energy and Environmental Services Division
700 North Tenth Street, Room 258
Sacramento, CA 95814-0338

- 1) CSD shall consider and review the documentation presented by the Contractor as well as any showing that the Contractor has adequately corrected the issue(s) leading to imposition of Special Conditions. The Director of the Department of Community Services and Development shall make the final decision regarding the appeal.
- 2) CSD shall notify the Contractor in writing of CSD's decision regarding the appeal within ten (10) working days from receipt of the written appeal from the Contractor.
- 3) If, after considering the material presented, CSD concludes that the Contractor failed to show cause why the Special Conditions should not be imposed, the Contractor shall be notified in writing of the decision regarding the denial of their appeal and CSD shall impose the Special Conditions as outlined in the Notice of Special Conditions.

12. AGREEMENT CHANGES

A. Amendment

- 1) A formal Amendment is required for changes to the term, total cost, scope of work, and formal name changes. No amendment to this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
- 2) Contractor shall advise the State when proposed changes to the contract also affect the Program Budget.

B. Modifications

- 1) Changes involving alterations such as changes to projected goals and/or priority plans will be considered modifications.
- 2) Modifications to projected goals will not be allowed. In the event that projections will not be met, Contract shall provide a description of the

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circumstance to the State and shall contact the State for additional instruction.

C. Time Restriction

After March 15 of each program year, Contractor shall have the option of continuing to offer Energy Crisis Intervention Program services, as specified in their ECIP Local Funding Proposal, or may request an amendment to reallocate any unspent ECIP (HCS, WPO, Fast Track) funds into direct assistance payment services (HEAP – Electric and Gas, and WPO).

D. Process

- 1) If Contractor intends to request a contract amendment and/or modification, Contractor shall submit a Request for Amendment/Modification Energy, CSD 509, an updated budget if applicable, and a justification supporting the funds transfer request. Contractor shall assure that the request is submitted to CSD no later than 45 calendar days prior to the expiration date of this Agreement. Contractor may submit the signed request for amendment/modification to CSD via fax and/or mail.
- 2) Transferring of funds includes:
 - a. Transferring funds between the consideration components if ECIP (WPO, HCS) and HEAP (WPO), and the nonconsideration components of ECIP Fast Track and HEAP - Electric and Gas.
 - b. Transferring funds between the nonconsideration components: ECIP Fast Track and HEAP - Electric and Gas.
 - c. Modifications transferring funds within the ECIP subcomponents of ECIP (HCS) and ECIP (WPO).
- 3) Exceptions to this requirement include the following:

Modifications to the projected budget(s) that do not affect the maximum amount payable under this contract or the work to be performed within the specific LIHEAP program component and the exceptions provided for in EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 1. PROVISION FOR FEDERALLY FUNDED GRANTS.

13. WEATHERIZATION PERFORMANCE GUIDELINES

- A. In an effort to ensure and strengthen performance outcomes and to measure the impact of the LIHEAP weatherization program, this Agreement contains performance guidelines. The 2006 LIHEAP contract period shall incorporate the

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purpose statement and the objectives and shall establish the statewide expectations of the weatherization program. While no specific performance measure targets have been established, the 2006 contract period will serve as the initial benchmark in which Contractors will cooperate with the State in establishing a measurement methodology and baseline data to be collected related to each of the measures listed below.

1) Weatherization Purpose

The purpose of the Weatherization Program is to reduce a low-income household's energy costs and consumption while addressing health and safety considerations through education and weatherization.

2) Weatherization Policy Objectives

a. Energy Savings Objective

- i. To perform the maximum-feasible weatherization measures that will achieve cost-effective, measurable, long-term energy savings.
- ii. Performance Measures:
 - (a) Total homes weatherized;
 - (b) Average energy saved per home weatherized; and
 - (c) Average cost per home weatherized.

b. Education Objective

- i. To reduce energy consumption and costs through awareness and behavior modifications and to provide education on potential hazards.
- ii. Performance Measures
 - (a) Percentage or number of total households weatherized receiving any or all of the following:
 - (i) Budgeting Education;
 - (ii) Equipment operation instructions;
 - (iii) Energy savings education;

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- (iv) Referral; and
 - (v) Lead safe material;
 - (b) Total dollars spent on education.
- 3) Environmental Objectives
 - a. Assure Health and Safety Objective
 - i. To identify and address health and safety (H&S) hazards during the course of weatherization work.
 - ii. Performance Measures
 - (a) Total number of H&S hazards corrected; and
 - (b) Average cost of H&S hazards.
 - b. Supportive Living Conditions H&S Objective
 - i. When needed to support or protect weatherization measures installed, perform work that does not necessarily have an energy savings or health and safety value but improves household living conditions.
 - ii. Performance Measures
 - (a) Percent or number of total household weatherized that have measures that address only the living condition improvements
 - (b) Average cost of these measures per household.

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ADDITIONAL PROVISIONS

1. **PROVISIONS FOR FEDERALLY FUNDED GRANTS**

A. Contractor certifies that it possesses legal authority to apply to the State for LIHEAP funds and assures compliance with the purposes as set forth in 42 USC 8621 et seq., as amended.

B. Eligibility to Receive Federally Funded Public Benefits

Pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) and Executive Order W-135-96, dated August 27, 1996, while in effect, applicants for federally funded public benefits are required to provide proof of U.S. citizenship, U.S. non-citizen national, or qualified alien status. Contractor shall verify client eligibility in accordance with CSD Applicant Verification of Eligibility Procedures and Regulations, forms, and other written guidance provided by CSD.

2. **FEDERAL CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND RELATED MATTERS**

Contractor hereby certifies to the best of its knowledge that it or any of its officers:

- 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- 2) Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph 2 of this certification; and
- 4) Have not within a three (3) year period preceding this Agreement had one or more public (federal, state, or local) transactions terminated for cause or default.

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3. PROCUREMENT

A. Contract Administration

- 1) Contractors shall administer this Agreement in accordance with all federal and state rules and regulations governing LIHEAP block grants pertaining to procurement, including Office of Management and Budget (OMB) Circulars and amendments thereto, consistent with the general OMB compliance requirement in EXHIBIT B to this Agreement. Contractors shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in OMB Circulars A-102 and A-110 and all additional provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.
- 2) Contractor shall not permit any organizational conflicts of interest or noncompetitive practices that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective subcontractor performance and eliminate unfair competitive advantage, individuals or firms that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Contractor shall award any subcontract to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to Contractor when considering price, quality, and other factors. Contractor's solicitations shall clearly set forth all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the recipient.
- 3) Contractor assures that all supplies, materials, equipment, or services purchased or leased with funds provided by this Agreement shall be used solely for the activities allowed under this Agreement, unless a fair market value for such use is charged to the benefiting program and credited to this Agreement.
- 4) In addition to adhering to all OMB requirements and the Contractor's established procedures for all procurement transactions of any amount, for each purchase, lease, or subcontract for any articles, supplies, equipment, or services obtained from vendors or subcontractors where the per-unit cost exceeds \$5,000, three competitive quotations shall be obtained or adequate justification documented and maintained as to the absence of bidding. In cases of a bona fide emergency where awarding a subcontract is necessary for the immediate preservation of public health, welfare, or safety, documentation of the emergency will be sufficient in lieu of the three-bid process.

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- 5) To ensure that significant procurement transactions are conducted in an open and freely competitive manner, Contractor shall comply with one of the following requirements at Contractor's election:
 - a. Contractor shall submit for CSD's review and approval the written procurement procedures developed pursuant to Section 3. A. 1) above. Upon receipt of the procedures, CSD will review them for substantial conformity with the OMB procurement guidelines and the three-bid requirement in Section 3. A. 4) above. Within thirty (30) days of receipt, CSD will provide either written approval of the procedures or specific recommendations for amendment of the procedures. Approval shall not be withheld unreasonably; or
 - b. Absent CSD's written approval of the procurement procedures, Contractor shall prepare and submit a Request for Purchase/Lease Pre-Approval (CSD 558) to CSD at least fifteen (15) calendar days prior to executing the subcontract for each of the following procurement transactions:
 - i. Any articles, supplies, equipment, or services having a per-unit cost in excess of \$5,000; or
 - ii. Any articles, supplies, or equipment where the total contract amount exceeds \$100,000.
- 6) Noncompliance with any of the provisions in this Section 3 shall result in a disallowance of the costs of the procurement transaction.
- 7) Contractor assures that it shall exercise due care in the use, maintenance, protection, and preservation of State-owned property in Contractor's possession or any other property or equipment procured by Contractor with State funds. Such care shall include, but is not limited to, the following:
 - a. Maintaining insurance coverage against loss or damage to such property or equipment.
 - b. Ensuring that the legal ownership of any motor vehicle or trailer is in the name of the Contractor.

B. Limitation on Use of Funds

Contractor shall assure that funds received under this Agreement shall not be used for the purchase or improvement of land or for the purchase, construction, or

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permanent improvement of any building or other facility other than low-income weatherization or energy-related home repairs.

4. **AFFIRMATIVE ACTION COMPLIANCE**

- A. Each Contractor or subcontractor with 50 or more employees and an agreement of \$50,000 or more shall be required to develop a written Affirmative Action Compliance Program.
- B. The written program shall follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.10 through 60-2.32, Sections 60-250.1 through 60-250.33, and Sections 60-741.4 through 60-741.32.
- C. Each Contractor or subcontractor with less than 50 employees shall comply with Section 202 of Part II of Executive Order 11246, as amended by Executive Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

5. **NONDISCRIMINATION COMPLIANCE**

- A. Contractor's signature affixed hereon shall constitute a certification that to the best of its ability and knowledge will, unless exempted, comply with the nondiscrimination program requirements set forth in this section.
- B. Contractor hereby certifies compliance with the following:
 - 1) Federal Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity.
 - 2) Title VI and Title VII of the Civil Rights Act of 1964, as amended.
 - 3) Rehabilitation Act of 1973, as amended.
 - 4) Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.
 - 5) Title 41, Code of Federal Regulations (CFR), Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, as amended.
 - 6) Public Law 101-336, Americans with Disabilities Act of 1990.

6. **PRIORITIZATION OF SERVICES**

- A. Contractor assures that ECIP, HEAP, Weatherization, Assurance 16, and Outreach activities are conducted in accordance with the priority plan(s),

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**EXHIBIT B - ATTACHMENT IV, ECIP-FT, HEAP, WEATHERIZATION,
ASSURANCE 16, AND OUTREACH PRIORITY PLANS.**

- B. Activities shall be designed to provide assistance to low-income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, and that such methods to be utilized shall assure that eligible households, particularly those households with elderly individuals, disabled individuals, or children five years (5) and under are made aware of the assistance available under his Agreement.

7. **SPECIFIC ASSURANCES**

A. Pro-Children Act of 1994

- 1) This Agreement incorporates by reference all provisions set forth in Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act).
- 2) Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly. For detailed explanation, see www.csd.ca.gov.

B. American-Made Equipment/Products

Contractor shall assure, pursuant to Public Law 103-333, Section 507, to the extent practicable, that all equipment and products purchased with funds made available under this Agreement shall be American made.

C. Federal and State Occupational Safety and Health Statutes

- 1) Federal and State Occupational Safety and Health Statutes, the California Safe Drinking Water and Toxic Enforcement Act of 1986, the Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program); Final Rule, and Workers' Compensation laws.
- 2) Contractor assures that it shall be in compliance with the provisions as set forth in Federal and State Occupational Safety and Health Statutes; the California Safe Drinking Water and Toxic Enforcement Act of 1986; Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program); Final Rule; and Workers' Compensation laws.

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(Standard Agreement)

D. Political Activities

- 1) Contractor shall refrain from all political activities if such activities involve the use of any funds that are the subject of this Agreement.
- 2) Contractor is prohibited from any activity that is designed to provide voters or prospective voters with transportation to the polls or to provide similar assistance in connection with an election if such activities involve the use of any funds that are subject to this Agreement.

E. Lobbying Activities

- 1) Contractor shall refrain from all lobbying activities if such activities involve the use of any funds that are the subject of this Agreement or any other fund, programs, projects, or activities that flow from this Agreement.
- 2) If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, EXHIBIT H, as required by the U.S. Department of Health and Human Services under 45 CFR Part 93.

8. RIGHT TO MONITOR, AUDIT, AND INVESTIGATE

- A. Any duly authorized representative of the federal or state government, which includes but is not limited to the State Auditor, CSD Staff, and any entity selected by CSD to perform inspections, shall have the right to monitor and audit Contractor and all subcontractors providing services under this Agreement through on-site inspections, audits, and other applicable means the State determines necessary.
- B. Contractor shall make available all reasonable information necessary to substantiate that expenditures under this agreement are allowable and allocable, including, but not limited to books, documents, papers, and records. Contractor shall agree to make such information available to the federal government, the state, or any of their duly authorized representatives including representatives of the entity selected by CSD to perform inspections, for examination, copying, or mechanical reproduction, on or off the premises of the appropriate entity upon a reasonable request therefor.
- C. Any duly authorized representative of the federal or state government shall have the right to undertake investigations in accordance with Public Law 97-35, as amended.

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- D. All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause permitting any duly authorized representative of the federal or state government access to the working papers of said audit firm(s).
9. FAIR HEARING PROCESS FOR ALLEGED VIOLATION OF THE CIVIL RIGHTS ACT AGAINST CONTRACTOR
- A. In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, Contractor has the right to request a fair hearing in response to such violation or alleged violation within 30 calendar days from the date of such action.
- B. The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations (CFR), Section 81.1 et seq.
10. FAIR HEARING PROCESS FOR APPLICANTS FOR DENIAL OF BENEFITS BY CONTRACTOR: WEATHERIZATION, HEAP, AND ECIP
- A. Contractor shall provide all interested individuals equal opportunity to apply for LIHEAP programs, and shall not discourage any interested individual from submitting an application for LIHEAP assistance. Contractor shall act upon all applications in writing within fifteen (15) working days.
- B. Pursuant to Title 22 of the California Code of Regulations, Section 100805, Contractor shall establish a written appeals process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. Contractor's process shall include, at a minimum, all of the requirements of Section 100805 subdivision (b), plus:
- 1) Provisions that ensure that each applicant is notified in writing of the right to appeal a denial of or untimely response to an application, or to appeal unsatisfactory performance, and the process to request such an appeal, at the time that each applicant submits an application. Such notification shall include information about the right to appeal to both the Contractor and to CSD.
 - 2) Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.
 - 3) Provisions that ensure that Contractor notifies the applicant in writing of the Contractor's final decision within fifteen (15) working days after the appeal is requested. If the appeal is denied, the written notification shall include instructions on how to appeal the decision to CSD. Whenever

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Contractor notifies an applicant of a denial of an appeal, Contractor shall simultaneously provide a copy of the final decision to the Manager of CSD's Energy Services Division.

- 4) Provisions to enable Contractor to collate information on denials and appeals in its regular program reporting.
- C. If a weatherization-related Special Condition is imposed, Contractor shall proceed with the appeal process as described in EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 11. Appeal Process When Special Conditions Are Imposed.

11. RECORD-KEEPING

- A. All records maintained by Contractor shall meet the OMB requirements contained in the following Circulars: A-102, Subpart C, ("Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments") or A-110, Subpart C, Nonprofit Organizations, whichever is applicable.
- B. Contractor shall maintain all records pertaining to this Agreement for a minimum period of three years after submission of the final report. However, Contractor shall maintain all such records until resolution of all audit and monitoring findings are completed.
- C. Contractor assures that employee and applicant records shall be maintained in a confidential manner to assure compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

EXHIBIT F
(Standard Agreement)

PROGRAMMATIC PROVISIONS

1. **OUTREACH AND INTAKE ACTIVITIES**

A. Outreach

Contractor shall perform appropriate outreach activities to ensure that households in the service area are informed about all LIHEAP program services and have an opportunity to apply for such services. Contractor may claim reimbursement for Outreach and its related services only once for each unit weatherized under this Agreement or previous CSD Agreement.

B. Intake

Contractor shall use intake program funds for determining eligibility of applicants seeking LIHEAP services. Services include the process of completing an intake form and reviewing applicant documentation. Contractor shall:

- 1) Establish reasonable hours whereby customers/applicants will have access during regular business hours to seek program information with an assurance that the Contractor shall respond to the customer/applicant's request within a reasonable amount of time.
- 2) Accept applications for assistance during regular business hours.
- 3) Accept applications for ECIP Fast Track and Wood, Propane, and Oil at sites that are geographically accessible to all households in the area served by Contractor.
- 4) Provide to low-income individuals who are physically infirm the means to submit applications for HEAP and ECIP without leaving their residences.
- 5) Provide intake only at sites accessible to the disabled.
- 6) Contractor shall utilize the Energy Intake Form as a multipurpose form for referrals to the LIHEAP Weatherization program, the ECIP HCS program, HEAP program, and DOE program.

2. **SPECIAL PROVISIONS – ASSURANCE 16 ACTIVITIES**

Assurance 16 program funds shall be used for such services, including needs assessment, client education and budget counseling, and coordination with utility companies, that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance.

EXHIBIT F
(Standard Agreement)

A. Needs Assessment

Contractor shall conduct a needs assessment for each client that shall include computing the energy burden of each applicant's household and prioritizing households as described in EXHIBIT F, PROGRAMMATIC PROVISIONS, Section 3. Applicant Eligibility and Service Priority.

B. Client Education - Budget Counseling

Contractor shall provide to all recipients of energy assistance under this Agreement applicable energy conservation information and budget counseling in accordance with the Contractor's approved EXHIBIT B – ATTACHMENT IV, ECIP-FT, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS. Contractors shall include at least the following:

- 1) Information to the client regarding the importance of applying for energy assistance prior to being in an arrearage situation and to include information concerning various utility company budget payment plan(s) and other forms of energy assistance offered within the State.
- 2) Written information that describes energy-saving behavioral adjustments that will decrease the energy consumption of the household.
- 3) Resource information, referral, family, and budget counseling in order to assist clients in achieving self-sufficiency.

C. Client Education/Budget Counseling – Weatherization and HCS

- 1) In addition to the above provisions, Contractor shall place in the client's file a source document that substantiates that the client was provided with energy conservation, budget counseling, and lead paint education.
- 2) Occupants of pre-1979 units to be weatherized must receive the pamphlet "Protect Your Family from Lead in Your Home."
- 3) Contractor shall provide to the client a description of the benefits that the client can expect to receive as a result of the weatherization measures installed and diagnostic tests performed in the dwelling.
- 4) Contractor shall provide to the client an explanation of the action of each measure in terms of preventing air infiltration or the escape of heated or cooled air from the dwelling and how to maximize the effect of such measures.

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3. APPLICANT ELIGIBILITY AND SERVICE PRIORITY

A. Applicant Eligibility - General

- 1) Assistance shall be available only to households with incomes that do not exceed an amount equal to sixty percent (60%) of the State median income.
- 2) Income verification must be for one month and current within six (6) weeks of the application intake date or an annual award letter. For acceptable types of documentation, refer to the LIHEAP Eligibility and Verification Guide. Contractor shall maintain appropriate documents in each applicant's file.
- 3) Contractor shall collect and maintain copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for wood, propane, and oil to determine the client's energy burden.

B. Capacity and Responsibility to Provide Emergency Assistance

- 1) Contractor acknowledges that federal and state law requires recipients of ECIP funding to be qualified and capable of carrying out an energy crisis intervention program that provides timely and effective emergency assistance that resolves energy crises, and Contractor acknowledges that the program must meet minimum requirements for timing and accessibility to eligible applicants as further defined at 42 USC § 8623(c).
- 2) Contractor agrees to provide all reasonable information requested by CSD during the term of this Agreement in order to enable CSD to assess Contractor's current energy crisis intervention program.
- 3) Federal and state law permit the allowability and allocability of costs to the Energy Crisis Intervention Program (ECIP) only where the costs are used to provide emergency assistance in an energy crisis. In addition to all other provisions in this Agreement permitting, restricting, or otherwise relating to ECIP costs, such costs are allowable only upon adequate demonstration by the Contractor that the related activities meet the definition of "emergency" provided by federal law and this Agreement.

C. Energy Crisis Intervention Services (ECIP) Eligibility

- 1) Conditions for ECIP services must meet the criteria for an emergency as defined in 42 USC §8622 (1) and Exhibit G, DEFINITIONS.

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- 2) In addition to the emergency and general applicant eligibility criteria for all ECIP activities listed above, services for Fast Track and WPO must meet at least one of the following criteria pursuant to Government Code §16367.5 (e):
 - a. Proof of utility shutoff notice;
 - b. Proof of energy termination;
 - c. Insufficient funds to establish a new energy account;
 - d. Insufficient funds to pay a delinquent utility bill; or
 - e. Insufficient funds to pay for essential firewood, oil, or propane.
- 3) In addition to the emergency and general applicant eligibility criteria for all ECIP activities listed above, services for HCS must meet at least one of the following eligibility criteria pursuant to Government Code §16367.5 (e):
 - a. Insufficient funds to pay the cost of space heating devices where no alternative source of space heating is reasonably available;
 - b. Insufficient funds to pay for the cost of emergency repairs to heating and cooling units, the emergency replacement of heating and cooling units, or both; or
 - c. Insufficient funds to pay energy costs for a household where a household member's medical condition requires use of life support or climate and temperature control systems.

D. Fast Track Eligibility – Utility Service

- 1) The applicant must receive energy services and be billed directly by one of the following energy providers: a utility company (-ies) and/or a mobile home park that owns its own power source(s) or a submetering billing service with the statutory authority to shut off utility services.
- 2) An emergency energy-related crisis does not exist if the cost of energy is included in the applicant's rent, in which case Fast Track payment(s) shall not be made.

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E. Severe Weather Energy Assistance and Transportation Services (SWEATS) Eligibility

- 1) In addition to all other ECIP eligibility requirements, SWEATS must meet the criteria as defined in the Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy (formerly the Energy Crisis Intervention Services (ECIS) Policy).
- 2) Contractor may allow those individuals dependent upon electrically powered medical equipment and/or experiencing a medical condition that would constitute an urgent life or death crisis to self-certify their eligibility.
- 3) Eligibility determination is not required for those clients being transported to and from cooling centers or hotels; however, efforts should be made to limit services to the low-income populace and those most at-risk.

F. Service Priority

- 1) Contractor shall give first priority for services to those households with the highest energy burden and shall factor into its first priority for services those households with the following vulnerable populations: young children (ages 5 years or under), disabled, and elderly persons (ages 60 years or older).
- 2) Contractor may give first priority for services to those households whose members have life-threatening emergencies.
- 3) EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT IV, ECIP-FT, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS, as described in EXHIBIT E, SPECIAL TERMS AND CONDITIONS, Section 6. PRIORITIZATION OF SERVICES, shall contain the following elements:
 - a. For the ECIP and HEAP component, Contractor shall assign prioritization points for the Energy Burden, Vulnerable Populations, and, at the Contractor's discretion, any Optional Agency-Defined categories. Optional Agency-Defined categories may include, for example: life-threatening emergencies, life support equipment, and repeat customers.
 - b. For the Weatherization component, Contractor shall describe in narrative format the selection process for dwellings to be weatherized and shall describe the outreach methods to be utilized

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to assure that eligible households are made aware of the services through LIHEAP or any similar energy-related assistance program.

- c. Contractor shall describe in narrative format a description of how Assurance 16 services will be provided to include needs assessments, education, budget counseling, and coordination with utility companies. Contractor shall include specific Assurance 16 activities designed to target households that have not been previously served under a LIHEAP ECIP, HEAP, and Weatherization program.

4) Due to limited funding, Contractors are discouraged from providing either:

- a. Energy Assistance Benefits to households with substantial credit(s) on its utility bills;
- b. Energy Assistance Benefits to households with energy burden of less than five percent (5%); and/or
- c. Weatherization services to dwellings previously weatherized under LIHEAP within the past four years. Contractors serving previously weatherized dwellings shall include the selection process for serving previously weatherized dwellings in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT IV, ECIP-FT, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS.

5) Equitable Treatment

Contractor shall assure that owners and renters receive equitable treatment under this program.

4. ECIP WPO/FAST TRACK ACTIVITIES

- A. Services shall be provided January 1, 2007 through March 15, 2007 for the following:
 - 1) ECIP Fast Track services shall be provided through March 15, 2007. After that date, Contractor has the option of continuing to provide this service.
 - 2) If Contractor serves applicants who use wood, propane, and/or oil fuels, these payments shall be provided through March 15, 2007. After that date, Contractor has the option of continuing to provide this service.

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B. ECIP Fast Track Benefit Determination

ECIP Fast Track benefits shall be determined using a Fast Track base amount and, when applicable, an agency-determined supplemental benefit amount. Contractors shall issue ECIP Fast Track benefits in accordance with the following:

- 1) Contractor shall ensure that the total ECIP Fast Track benefit amount (ECIP Fast Track base amount plus supplemental benefit amount) is limited to and does not exceed the total amount due (at the time of intake) to the utility company in energy charges, reconnection fees, and other assessed utility fees/surcharges to alleviate the crisis situation.
- 2) When only issuing a Fast Track base benefit amount (no supplemental payment), Contractor may exceed the total amount due to the utility company in energy charges, reconnection fees, delinquent utility bill establishing arrearages and/or past due balances, and other assessed utility fees/surcharges to alleviate the crisis situation.
- 3) Contractor shall ensure that the maximum total Fast Track benefit amount (ECIP Fast Track plus supplemental benefit amount) does not exceed \$1,000.
- 4) Contractor shall provide full justification by documenting the client file(s) to include the amount of charges and verification by the utility company.
- 5) Contractor shall review, check for duplicates, and approve applications in accordance with Contractor's approved EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT IV, ECIP-FT, HEAP, WEATHERIZATION, ASSURANCE 16, AND OUTREACH PRIORITY PLANS, and the LIHEAP Eligibility and Verification Guide.

5. ECIP FAST TRACK/WPO AND HEAP/WPO PAYMENT GUIDELINES

- A. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment, eligible households may receive ECIP HCS services and/or other weatherization services, if needed.
- B. Contractor may establish a maximum benefit for wood, propane, and oil payments; such maximum shall be consistently applied.

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- C. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.
- D. Once applicants meet the eligibility and prioritization criteria and funds are available, Contractor shall:
 - 1) Not later than 48 hours after a household is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor; a wood, propane, or oil payment; or a heating or cooling services that will resolve the energy crisis.
 - 2) Not later than 18 hours after a household applies for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor; a wood, propane, or oil payment; or a HCS that will resolve the energy crisis if such household is in a life-threatening situation.
 - 3) When a HEAP payment or ECIP Fast Track payment has been made directly to an energy vendor, notification of payment(s) shall be sent to the client via an account credit letter from CSD or the utility company, or it shall be shown as a credit on the utility bill(s).
- E. ECIP WPO Payment Guidelines
 - 1) Contractor shall complete the ECIP Payment Confirmation (Non-Regulated Utility Companies Only) (CSD 415) or Contractor's equivalent.
 - 2) Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.
 - 3) CSD shall not make payments to clients for wood, propane, and oil assistance.
 - 4) Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.
- F. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.
- G. Unless a different, formal, or documented agreement exists to the contrary, Contractor shall forward payments for wood, propane, or oil on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred.

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6. COORDINATION

- A. Contractor shall refer all potentially eligible applicants, including HEAP applicants, to the LIHEAP Weatherization Program, ECIP HCS, CARE/RRP, DOE, or other energy or conservation programs. Contractor shall coordinate its activities with other federal, state, or local energy conservation programs with the goal of conserving energy, improving thermal efficiency, or defraying energy costs of low-income households.
- B. Contractor shall provide assistance in coordinating the payment of client's energy/utility bill with the appropriate energy vendor or utility company. Contractor may also perform other coordinative activities with energy vendors/utility companies to provide input relative to the energy assistance needs of California's low-income and a proactive educational concept in serving clients. This includes expending up to five percent (5%) of the Assurance 16 allocation for attending the California Public Utilities Commission's Low-Income Oversight Board Committee meetings.

7. HEAP AND ECIP (FAST TRACK) ELECTRIC AND GAS REPORTS

Utilizing reporting options available within the CLASS On-Line System, Contractors shall be responsible for generating HEAP and ECIP (Fast Track) reports to attain data specific to the following: a listing of HEAP/ECIP clients assisted for a specified period, Applicant Service History (summary of repeat customers), detailed client information (Social Security number, address, utility company, intake data, and client status), summarized county energy costs and burden, benefit amounts and totals (expenditures), returned benefits, summary of vulnerable populations groups served, and a year-to-date goal status summary.

8. CALIFORNIA LIHEAP AUTOMATED SERVICES SYSTEM (CLASS)

- A. Contractor shall be responsible for monitoring the California LIHEAP Automated Services System (CLASS) online reports and for resolving payment issue(s) related to the delivery of benefits. The Agency Allocations/System Maintenance screen shall display historical and current detail level of program allocation information, summarizing agency's annual program allocation, expenditures, and returned benefits eligible for reissuance, if any. The Variance Report shall display the detail level of benefit information whereby the eligible benefit amount differs from the paid benefit amount. For resolution of partial credit returns, Contractor shall be responsible for following up with the client to resolve payment issue(s) and for providing the State with the necessary information to reissue benefit(s). For full credit returns and warrant redeposits, Contractor shall be responsible for resolving and updating client data in CLASS to reissue benefit(s).

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- B. Contractor shall utilize either the CLASS On-Line Entry method or, if precertified, the Database Transfer method to transmit client data. Contractor shall submit the data in accordance with the CLASS Reference Manual and CSD's data entry standards. Contractor shall assure that adequate files are maintained as required in EXHIBIT F, PROGRAMMATIC PROVISIONS, Section 9. RECORD-KEEPING RESPONSIBILITIES.

9. RECORD-KEEPING RESPONSIBILITIES

- A. Contractor shall maintain client intake/needs assessment form(s) for Weatherization, HEAP, and ECIP, and appropriate supporting documentation and shall maintain separate client files containing supporting documents related to disqualifications, denials, and appeals for each applicant who is not certified as being eligible to receive assistance.
- B. Contractor shall ensure that the ECIP Home Energy Supplier Assurance (CSD 416) or Contractor's equivalent is completed by each nonregulated utility company, e.g., propane suppliers, wood suppliers, etc., providing services to clients of this Agreement.

C. Client Files – General Requirements

Contractor shall maintain a separate file for each applicant certified as eligible to receive assistance. Said files shall include at least the following documentation, if applicable:

- 1) Statement of Citizenship, Alienage and Immigration Status for Public Benefits, (CSD 600) and supporting documents;
- 2) Energy Intake Form (CSD 43 or 44) or Contractor's equivalent;
- 3) Utility/energy bill(s) for all sources of energy used by qualified households;
- 4) Source documentation supporting eligibility; and
- 5) Source documentation that substantiates that the client was provided services in accordance with Assurance 16 requirements.

D. Client Files - Cash Assistance Specific

Contractor shall maintain the following documents for each applicant receiving cash assistance services, if applicable:

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- 1) A source document that substantiates the ECIP Fast Track supplemental payment that shall include the total amount due (at the time of intake) to the utility company, reconnection fees, and any other assessed utility fees/surcharges; it shall provide the condition(s) that establishes eligibility for benefits in accordance with EXHIBIT F, PROGRAMMATIC PROVISIONS, Section 4. ECIP Fast Track Benefit Determination; and
- 2) A source document substantiating the portion of rent that is allocated toward energy costs (HEAP and ECIP: Utilities included in rent and W/P/O only).

E. Client Files - Weatherization and/or HCS Specific

Contractor shall maintain the following documents for each applicant receiving weatherization and/or HCS services, if applicable:

- 1) Weatherization Building Assessment and Job Order Sheet (CSD 540) or Contractor's equivalent;
- 2) Combustion Appliance Safety Inspection Form (CASIF);
- 3) Blower Door and Duct Blaster Data Sheet (BDDDBDS);
- 4) CSD Hazardous Correction Work Plan (HCWP);
- 5) CSD Weatherization Deferral Form and other source documentation supporting deferrals and appeals
- 6) Notice of Weatherization/Renovation (CSD 320) or Contractor's equivalent;
- 7) Record of Tenant Notification Procedures (CSD 322) or Contractor's equivalent;
- 8) Energy Service Agreement for Rental Units (CSD 515) or Contractor's equivalent;
- 9) Service Agreement for Unoccupied Multi-Unit Dwelling, (CSD 515d) or Contractor's equivalent;
- 10) Contractor Post Weatherization Inspection Report (CSD 611);
- 11) Weatherization Inspection Report (WIR) (CSD 581);

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- 12) Multi-Family Dwelling Unit Eligibility Certification (CSD 75P) or Contractor's equivalent;
- 13) Required building permits, or building permit applications or documentation of permit cost;
- 14) Copy of lead clearance inspection by a California Certified Inspector/Risk Assessor for applicable pre-1979 HUD units;
- 15) Waivers from CSD to exceed maximums costs of weatherization measures;
- 16) Source documentation that substantiates all actual labor hours and all costs for labor and materials;
- 17) Source documentation of weatherization measures installed and leveraged with other CSD and non-CSD weatherization program funds;
- 18) Source documentation that substantiates the criteria and basis for replacement of all gas and electric appliances including results of all required diagnostic tests results and the nonfeasibility of all mandatory measures not performed or installed;
- 19) Source documentation indicating the manufacturer, make, and model of all replaced refrigerators;
- 20) Source documentation and records substantiating mileage claims by individual weatherized SFD and MUD Unit;
- 21) Source documentation substantiating the referral to CSD or non-CSD weatherization programs for units receiving ECIP HCS services;
- 22) Source documentation of HERS inspection; and
- 23) Source documentation providing evidence that the client receiving disaster-related services was a victim of a natural disaster.

F. Client Files – Severe Weather Energy Assistance and Transportation Services (SWEATS) Specific

Contractor shall maintain the following documents for each applicant receiving services under SWEATS, if applicable:

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- 1) Severe Weather Energy Assistance and Transportation Services Intake Form (CSD 51) or Energy Intake Form (CSD 43) or Contractor's equivalent to CSD 43;
- 2) Temporary Emergency Portable Appliance Loan Agreement and Waiver (CSD 52); and
- 3) Source documentation and records substantiating mileage claims for units receiving services under SWEATS.

G. Weatherization and HCS Specific

- 1) Labor and Materials
 - a. Contractor shall maintain source documentation in such a manner that include job references and total labor hours so that actual costs and actual labor hours billed to the weatherization and ECIP HCS programs can be substantiated.
 - b. Contractor shall document all costs expended under this Agreement with purchase orders, inventory records, and payroll records identifying the funding source.
 - c. Contractor shall maintain source documentation in such a manner to prove that materials used under this program conform to the requirements contained within the CSD Weatherization Installation Standards and/or state, county, or local regulations.
- 2) Training

Contractor and subcontractors who perform basic weatherization services are required to maintain a training log for current employees. The training log shall document for each employee all training received and shall include for each training session/course the source/location, type/content, and completion date. Such training log shall be maintained in the Contractor's file and shall be made available for review by CSD upon request.
- 3) Equipment
 - a. Contractor and subcontractors who perform combustion appliance safety tests shall maintain the Carbon Monoxide Analyzer Calibration Log (CSD 785) documenting the calibration of all analyzers as required.

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- b. Contractor and subcontractors who perform blower door and duct leakage diagnostic tests shall maintain the Manometer Calibration Log (CSD 786) documenting the calibration of all manometers as required.
- c. Contractor and subcontractors who keep an inventory of portable appliances for the ECIS program shall maintain a log documenting the location of all portable appliances on loan and in reserve. The log shall document the retirement or loss of the equipment.

10. WEATHERIZATION AND ECIP ACTIVITY GUIDELINES

A. Program Standards

- 1) Contractor shall adhere to all CSD program standards pursuant to the following documents and manuals which have been incorporated by reference and made part of this Agreement as if attached hereto:
 - a. CSD Low-Income Weatherization Assistance Program Policies and Procedures;
 - b. CSD Conventional Home Weatherization Installation Standards;
 - c. CSD Mobile Home Weatherization Installation Standards;
 - d. CSD Lead-Safe Weatherization Policies;
 - e. CSD Health and Safety Plan for Weatherization Programs;
 - f. CSD Inspection Policies and Procedures;
 - g. CSD LIHEAP/DOE Program Weatherization and ECIP HCS Appliance Replacement Criteria;
 - h. CSD Carbon Monoxide (CO) Analyzer and Manometer Calibration Policy; and
 - i. Energy Crisis Intervention Services (ECIS) Policy.
- 2) In the event of disagreement between policies and field protocols contained within the Weatherization Installation Standard Manual and/or the Weatherization Policies and Procedures Manual and this Agreement, Contractor shall abide by the terms of this Agreement.

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B. Regulations

- 1) Standards contained in the Uniform Building Code and local city and county codes shall take precedence over the CSD WIS if the code requirement is not included in the manual and/or is more stringent.
- 2) All applicable dwellings shall be in compliance with California Energy Commission 2005 Building Energy Efficiency Standards, Alterations under Title 24, Part 6, of the California Code of Regulations, California Home Energy Rating System (HERS) Program regulations.
- 3) Services provided to all applicable pre-1979 dwellings shall be in compliance with the Environmental Protection Agency rules in 40 CFR 745, Lead; Requirements for Hazard Education Before Renovation of Target Housing; Final Rule.
- 4) All materials procured for weatherization and HCS purposes shall be in conformance with OMB requirements contained in the following Circulars: A-102, Section 36, or A-110, Section 40.

C. Dwelling Eligibility

- 1) Contractor shall certify a household's income eligibility for the provision of weatherization services before the installation of any weatherization measure.
- 2) The certification shall remain in effect for a period of 120 days from the date the household is determined income eligible.
- 3) At a minimum, within the 120-day period of the household's eligibility certification, Contractor shall perform the assessment of the dwelling and determine the weatherization measures to be installed.
- 4) If the assessment of the dwelling and the determination of the weatherization measures to be installed do not begin within the 120-day period of the household's certification, Contractor shall recertify the household's eligibility and shall not charge for costs associated with recertification such as outreach, intake, and Assurance 16 activities.
- 5) **Permission to Provide Services**
 - a. Contractor shall obtain written permission of the owner-occupied dwelling, and/or of the owner of a rental unit, or his/her agent prior to performing any weatherization services. Such permission shall be recorded on the Energy Service Agreement for Rental Units

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(CSD 515) or Contractor's equivalent or the Service Agreement for Unoccupied Multi-Unit Dwelling (CSD 515d) or Contractor's equivalent. At a minimum, the written documentation and/or notification shall include the following:

- i. General permission to do assessment and weatherization work;
 - ii. Notification of specific work to be done before the work is done;
 - iii. Notification of significant structural and engineering changes; and
 - iv. Confirmation of work completed.
- b. If during the course of performing weatherization/HCS services in a dwelling, Contractor identifies that significant structural and/or engineering changes may occur, Contractor shall re-obtain written permission of the owner-occupied dwelling and/or from the owner of a rental unit prior to continuing with the scheduled work.
- 6) Rent Increase Restrictions
- a. For a period of two years after weatherization work has been completed on a dwelling containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) will not be subjected to rent increases unless those increases are demonstrably related to matters other than the weatherization work performed.
 - b. Tenants shall be given a written summary of these conditions with the current telephone number of the Contractor with instructions on how to file a complaint should these conditions not be met. Contractor shall investigate all complaints filed and shall forward a copy of all written complaints to CSD or, if a verbal complaint has been made, contact CSD with the details of the complaint including date complaint was made, date investigations began, and results.
 - c. Should a complaint be found valid, Contractor shall obtain the amount equal to the weatherization work performed on that unit from the landlord and, if previously reimbursed from CSD, remit that amount to CSD along with details of the investigation.

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7) Occupied Multiple Unit Dwellings

- a. Funds under this Agreement may be used to weatherize an entire building containing multiple dwelling units only if the dwelling units occupied by eligible applicants represent at least sixty-six percent (66%) of the total units within the building. In order to weatherize a building that contains two or four units, at least fifty percent (50%) of the dwelling units must be eligible. Otherwise, only units occupied by eligible households shall be serviced.
- b. The amount of funds, however, applied to weatherization services in a building shall not exceed the number of eligible dwelling units multiplied by the \$2,885 maximum average per unit.
- c. Contractor shall complete a Multi-Family Dwelling Unit Eligibility Certification (CSD 75P) or Contractor's equivalent for each complex and shall maintain a copy in each individual client file.
- d. Contractor shall certify unit eligibility by completing Energy Intake Form (CSD 43 or 44) or Contractor's equivalent for each dwelling unit in each building. Certification of eligibility by the owner/manager of the occupants of the building/complex is not acceptable.

8) Unoccupied Multiple Unit Dwellings

Contractor may provide weatherization services under this Agreement to ineligible dwelling units in an unoccupied multiunit building only when the following conditions are met:

- a. The dwelling units will become eligible (occupied by eligible low-income tenants) within 180 days under a federal, state, or local government program for rehabilitating the building or making similar improvement to the building;
- b. The owner has signed a copy of the Service Agreement for Unoccupied Multi-Unit Dwelling (CSD 515d) or Contractor's equivalent, authorizing the weatherization work, accepting conditions protecting the interests of tenants, and other provisions required by CSD;
- c. No undue or excessive enhancement shall occur to the value of the dwelling units.

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- 9) Previously Weatherized Dwellings
 - a. Measures installed outside those weatherization measures disclosed during the dwelling's initial weatherization assessment constitute a reweatherized dwelling.
 - b. If a dwelling has been previously weatherized under a CSD or another federal program, Contractor may provide previously unapplied mandatory and optional measures within the dollar limits of this Agreement. The dwelling and occupant eligibility must be recertified.
 - c. Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered reweatherization.
 - d. If the previous weatherization was performed under a nonfederal program, the dwelling and occupant eligibility must be recertified.
 - 10) Ineligible Dwellings
 - a. Contractor shall not weatherize a dwelling unit that is designated for acquisition or clearance by a federal, state, or local program within 12 months from the date weatherization of the dwelling unit would be scheduled to be completed.
 - b. Contractor shall not weatherize any dwelling under this Agreement unless the property owner agrees to all the terms and conditions of the Weatherization Service Agreement (CSD 540) or Contractor's equivalent.
 - c. No institutional or commercial building including, but not limited to, universities, schools, nursing homes, hospital, shelters, or group homes, may be weatherized under this Agreement.
- D. Minimum Requirements for Weatherization Services
- 1) Single-family detached and other single-story dwellings that have not been previously weatherized under a CSD program or other program may be weatherized under this Agreement only if:
 - a. Ceiling Insulation plus two additional Mandatory Measures are installed, or

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- b. In the event Ceiling Insulation is not feasible, at least four Mandatory Measures are installed.
- 2) Multistory, multiunit complexes, may qualify for weatherization services with the installation of ceiling insulation and any two other mandatory measures or, in the event ceiling insulation is not feasible, at least three mandatory measures.
 - a. Installation of ceiling insulation may be counted as a ceiling insulation measure for each unit within that building envelope. The charge shall be prorated among all dwelling units.
 - b. Insulation of a common water heater shall qualify as a mandatory measure for each unit served by the same water heater. Reimbursement may be claimed, however, for only one water heater and the equivalent number of standard-sized water heater blankets installed, and the cost shall be prorated among all dwelling units.
- 3) If the required minimum number of weatherization measures cannot be installed due to the deferral of measures, then the entire unit shall be deferred and the dwelling ineligibility documented in the client file.
- 4) Repair of large leaks identified by blower door testing may reduce shell leakage so close to the Minimum Ventilation Requirement (MVR) that caulking and/or weatherstripping are not feasible, thus reducing the number of feasible Mandatory Measures to fewer than needed to qualify the dwelling for weatherization. In this case, Contractor may substitute noninfiltration reduction Optional Measures as needed for the nonfeasible caulking and/or weatherstripping measures.

E. Dwelling Assessments

- 1) Contractor shall inspect the dwelling of each eligible applicant to determine if the unit is structurally sound and not in need of extensive repairs.
- 2) If the dwelling unit is not eligible because of the need for extensive repair, the unit shall not be serviced and the applicant should be referred to the local Housing and Community Development Department, U.S. Farmers Home Administration Housing Loan Program, or other similar organizations or programs.
- 3) Documentation of such ineligibility due to the need for extensive repairs shall be recorded on the CSD Weatherization Deferral Form.

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- 4) If the applicant can obtain the necessary repairs to make the dwelling unit eligible for weatherization services, weatherization activities may be accomplished following the repair work.
- 5) If an unvented space heater is being utilized, infiltration reduction measures shall not be applied unless venting is installed or the unit is replaced.
- 6) If it is determined during the CAS test that the dwelling unit contains a condition that is hazardous to the occupants, proper steps must be taken to alleviate the hazard. In these cases, infiltration reduction measures may not be installed until the hazard has been corrected; however, Contractor may install noninfiltration reduction measures.
- 7) Contractor shall perform the blower door diagnostic testing for shell sealing purposes on a minimum of twenty percent (20%) of the total SFD (1 to 4 units) and a minimum of five percent (5%) of MUD (5 or more units) weatherized under this Agreement.
- 8) Following a determination that no combustion byproduct hazards exist, Contractor shall perform pressure diagnostic guided infiltration reduction using a preweatherization blower door test.
- 9) Duct Blaster diagnostic testing shall be required on all weatherized dwellings and ECIP HCS units with forced-air systems.

F. Health and Safety Measures

- 1) Contractor is authorized to mitigate health and safety hazards generated by combustion appliances, preserve or improve indoor air quality, and address knob-and-tube wiring.
- 2) Health or Safety Hazard Repair or Replacement Carbon Monoxide/Alarm, and Priority Insulation measures must be installed in priority order. Other mandatory measures must be installed before optional measures, and no measure shall be excluded, unless the:
 - a. Blower door and/or pressurized duct diagnostic test indicates that installation of the measure is not necessary;
 - b. Dwelling already has that measure in place;
 - c. Measure cannot be properly installed;

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- d. Client refuses installation (client refusal is to be documented and placed in file);
 - e. Maximum dollar limit is reached; or
 - f. Measure is not needed or required.
- 3) After Health and Safety Measures have been addressed, Insulation Measures, if feasible, must be installed prior to the installation of any other Mandatory and Optional Measures. Non-Priority Mandatory Measures including Infiltration Reduction, General Heat Waste, and Electric Base Load Measures need not be installed in priority order.
- 4) If a health or safety hazard is found to exist that requires replacing or repairing a combustion appliance, the cost of which will preclude the installation of the required number of Mandatory Measures for a unit to be weatherized, the dwelling may qualify for weatherization under the following conditions:
- a. The combustion appliance is repaired or replaced; and
 - b. All remaining feasible Mandatory Measures are installed up to the maximum dollar limit.
- 5) If the dollar limit has not been reached in installing feasible mandatory measures, Contractor may install optional measures.

G. Allowable HCS Services

- 1) The following HCS guidelines are applicable to services delivered through the LIHEAP Weatherization and/or the ECIP HCS component and are restricted to occupied SFD and/or MUD units:
- a. A residential heating source that qualifies for repair and replacement services must be a single, pre-existing heating appliance, serving as the dwelling's primary heating source.
 - b. A residential cooling source that qualifies for cooling services must be a single, pre-existing cooling appliance, serving as the dwelling's primary cooling source, limited to mechanical air conditioners, central and window/wall air conditioners, and evaporative coolers.
- 2) Heating and/or cooling services may be provided when one of the following conditions exists:

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- a. Existing primary heating/cooling appliance is deemed hazardous by a qualified technician or HVAC contractor; or
 - b. Existing primary heating/cooling appliance is verified by a qualified technician or HVAC contractor to be inoperable or in need of repair.
- 3) Prior to the performance of any heating/cooling service, a qualified technician must perform a diagnostic inspection of the primary heating/cooling appliance to assess operational performance. If the inspection discloses a problem related to the appliance's operational performance, the technician or an HVAC contractor will need to isolate the specific problem and determine the estimated cost to repair the defective unit before deciding whether or not to repair or replace the defective unit.
- 4) Any and all heating/cooling services shall be performed in accordance with the following guidelines:
- a. All repair and replacement services are limited to dwellings with pre-existing heating and cooling appliances. An exception to this rule exists, however, for those dwellings without a heating and cooling appliance and there are no means to provide adequate heating and/or cooling during a climatic season that would cause imminent harm to the health and well being of individuals or the household.
 - b. Such a condition and circumstance constitutes a true crisis under which Contractors, when feasible, may install a new heating or cooling appliance within the dwelling not to exceed the established maximum reimbursement rates for heating and cooling appliance installation.
 - c. For those conditions where a true crisis exists and the installation of a new heating and/or cooling unit is nonfeasible, Contractor may provide under the ECIS program such dwellings with temporary portable devices to support the means of providing adequate cooling and/or heating to occupants of the residence to alleviate the crisis situation.
- 5) Contractor shall repair a defective primary heating appliance when the cost to assess and repair is estimated at less than 30 percent (30%) of the cost of installing a new replacement unit.

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- 6) When replacement of a defective primary heating/cooling appliance is performed under the ECIP HCS component, Contractor shall perform necessary duct repair and/or replacement services in order to conform to Title 24 requirements.
- 7) If during the course of repairing the defective unit, additional problems are found that would increase the cost of repairs to more than the allowable limit for repair costs, the unit may be replaced.

H. Natural Disasters

- 1) When a dwelling that has been damaged by a natural disaster such as fire, flood, earthquake, hurricane, etc., or any other act of God, and repair of the damage to weatherization materials is not and will not be paid for or reimbursed by any other source, Contractor may have damages repaired that are within the scope of the program. The occupant must be certified as currently eligible, and a dwelling assessment must be performed.
- 2) A scope of work shall be submitted to CSD for approval prior to beginning work related to a natural disaster.

I. Pre-1979 Dwellings

- 1) Lead-based paint is presumed to be present in all pre-1979 units unless the dwelling unit has previously been certified by a California Certified Inspector/Risk Assessor to be lead-free.
- 2) HUD units not previously certified to be lead free, built prior to 1979, and receiving weatherization services in which painted surfaces exceeding de minimis levels are disturbed require the successful achievement of lead-safe standards after the completion of weatherization services. Contractor shall assure that a third-party California Certified Inspector/Risk Assessor performs the clearance inspection after the completion of weatherization services and that the Assessor deems the weatherized HUD unit as lead-safe.
- 3) Contractor shall document notification to tenants of multifamily housing of weatherization and/or renovation activities in common areas using the Notice of Weatherization/Renovation (CSD 320) or Contractor's equivalent and Record of Tenant Notification Procedures (CSD 322) or Contractor's equivalent.

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J. Title 24

- 1) Contractor shall, when required by its local jurisdiction, obtain a building permit when additions or alterations of existing residential buildings are performed or when a component, system, or equipment of an existing building breaks and cannot be repaired.
- 2) Title 24 requirements are applicable only to energy conservation measures installed to dwelling located within Contractor's specific California Energy Commission (CEC) Climate Zone. For a listing of the CEC climate zones, refer to the CSD website at www.csd.ca.gov.
- 3) Contractor shall obtain the services of a qualified Home Energy Rating System (HERS) Program Rater when required to perform required field verification and diagnostic testing on applicable weatherization measures and building alterations performed under this Agreement.
- 4) Contractor shall obtain the services of a certified HERS Rater to perform the required field verification and diagnostic testing. The HERS Rater shall be an independent entity from the builder or subcontractor performing the building alteration and/or energy-efficiency improvement being tested and verified and shall have no financial interest in the work performed.

K. Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines

- 1) Contractor may lend portable heating and cooling equipment held in reserve to clients on a temporary or interim basis when a weather-related emergency or other crisis occurs until such time the dwelling's heating and/or cooling appliance be repaired or installed or when the crisis or emergency has passed.
- 2) Contractor may lend generators held in reserve to clients for use during black-outs or other similar emergencies to sustain warm or cool indoor air temperature and/or to mitigate other health and safety concerns. Priority shall be given to those persons dependent upon electrically powered medical equipment and/or other medical conditions that would require crisis intervention services.
- 3) Transportation to cooling centers or hotels is only allowable during a weather-related emergency or when another energy crisis occurs. Modes of transportation can include agency-owned or leased vehicles, adequately insured staff vehicles, public transportation, and vehicles rented

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specifically for the sole purpose of transporting clients to cooling centers or hotels.

11. QUALITY ASSURANCE

A. Certification

Contractor, or its designee, shall establish a comprehensive, detailed, and fully documented Quality Control procedure to assess the quality and completeness of Weatherization and HCS work performed under this Agreement. Such assurance will be documented on the Weatherization Building Assessment and Job Order Sheet (CSD 540) or Contractor's equivalent and shall be signed and dated by a certifying agency representative.

B. Post-Weatherization Inspections

- 1) Contractor shall perform Post-Weatherization Inspections on 25 percent (25%) of the total weatherized dwellings under this Agreement. Post-Weatherization Inspections shall be proportional to the number of completed units for each reporting period.
- 2) Contractors shall give priority to inspecting dwellings receiving the following weatherization services/measures:
 - a. Combustion Appliance Safety Testing;
 - b. Blower Door Testing;
 - c. Ceiling Insulation; and
 - d. Minor Envelope Repairs.
- 3) Post-inspections shall be conducted for the purpose of assessing the quality and completeness of performed weatherization services and compliance with weatherization guidelines. At a minimum, the post-inspection shall review the following:
 - a. Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent to verify that all specified measures were accurately reported and invoiced to CSD.
 - b. All measures were completely installed in accordance with said terms and conditions of this Agreement. In addition, installed measures shall be reviewed to determine the absence of any feasible Mandatory Measure not installed and/or the installation of

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a measure (nonfeasible measure) that may be in noncompliance with said standards and the terms and conditions of this Agreement;

- c. Verification that the unit received blower door and duct leakage testing;
 - d. Inspection of all combustion appliances receiving combustion application safety testing;
 - e. Inspection of the unit dwelling to ensure that all identified health and safety hazards, whether preexisting or resulting from the performance of weatherization services, have been successfully remedied.
- 4) Post-Weatherization Inspections of dwelling units shall be performed by individuals trained and with expertise in: performing dwelling assessments; performance of combustion appliance safety (CAS) testing and appliance related hazards remedies; performance of blower door diagnostics and Infiltration Reduction Measures; and knowledge of Weatherization guidelines and the terms and conditions of this Agreement.
 - 5) Inspector shall certify performed Post Weatherization Inspections of dwelling units by completing and signing Post Weatherization Inspection Report (CSD 611). Contractor shall retain a copy of the completed and signed form in client file.

C. Third-Party Inspections

- 1) The State reserves the right to use a third-party inspector to review and verify that the weatherization activities performed under this Agreement conform to applicable standards and practices.
- 2) Unless Contractor assumes the task of arranging inspection visits with the selected weatherization clients, Contractor shall provide the use of a telephone to the inspector.
- 3) Contractor or a ride-along (designated representative) shall accompany the inspector on client inspection visits and shall provide transportation and equipment to the inspector. When possible, Contractor shall make corrections during the client inspections visits.
- 4) Contractor agrees to remedy all Nonhazardous Conditions (nonhazardous work deficiencies) noted by the State or its designee within 20 working days of written notification.

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- 5) Contractor must remedy all Hazardous Conditions resulting from weatherization measure installation. The immediate hazard shall be eliminated within 24 hours, and hazardous conditions shall be completely resolved within five (5) working days of written notification. The time period may be extended for circumstances beyond the Contractor's control; however, the time extension must be approved in writing by CSD prior to the expiration of the five working days.

D. Noncompliance

- 1) Contractor shall be subject to the withholding of reimbursement for failure to completely resolve a Hazardous Condition within five working days or within the modified completion date for units receiving a time period extension. The reimbursement sanction will immediately apply to the next fiscal reimbursement request associated with the primary funding source (program) of the weatherized unit in question. The reimbursement sanction will remain in effect until Contractor successfully resolves the Hazardous Condition and confirms the resolution with CSD and the designated Inspection Contractor. The sanction will apply to all subsequent fiscal reimbursement requests of the primary funding source in question.
- 2) If it is determined that the Contractor has failed to resolve an identified Hazardous Condition in accordance with the Hazardous Correction Work Plan, CSD may utilize the services of the designated Inspection Contractor to successfully resolve the delinquent Hazardous Condition. Contractor will assume responsibility for costs associated with the use of Inspection Contractor's services. The costs will include labor, materials, and travel equal to the Inspection Contractor's training and technical assistance hourly rate and the total amount will be withheld from the Contractor's next request for fiscal reimbursement.
- 3) If it is determined that the Contractor has incorrectly billed CSD because a measure was not installed or the quantity installed is less than the quantity billed, Contractor shall install the billed measure or quantity, if feasible. In cases when a physical remedy is not possible, repayment of the labor and material costs for the noninstalled measure or quantity will be withheld from subsequent reimbursements.
- 4) Contractors will be subject to Special Conditions if it is determined that one or more of the following conditions exist:
 - a. Contractor has a history of unsatisfactory performance.

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- b. Identification of one or more Hazardous Conditions in dwellings weatherized by Contractor.
- c. Failure to remedy an identified Hazardous Condition in a timely manner (elimination of immediate hazard within 24 hours and complete resolution correction within five working days of written notification).
- d. Substantial number of Nonhazardous Conditions and/or identified trends or patterns of nonconformance to installation criteria.

12. TRAINING REQUIREMENTS

- A. Within 30 days of employment, weatherization employees of Contractor and subcontractors who provide basic weatherization services shall receive both Lead-Safe Weatherization Training and Environmental Hazard Training, in accordance with CSD Lead-Safe Weatherization Policy and Procedures. An Assessor, Worker, Supervisor, or Inspector will not be allowed to enter, assess, weatherize, or inspect a pre-1979 dwelling unit until the required Lead-Safe Weatherization Training has been completed.
- B. Within 180 days of employment, weatherization employees of Contractor and subcontractors who provide basic weatherization services shall receive Basic Weatherization Training by completing the Pacific Gas & Electric (PG&E) Energy Training Center, Stockton (ETC--Stockton), other CSD-approved training facility Basic Weatherization curriculum, or Contractor's CSD-approved internal training curriculum that teaches basic weatherization concepts and conformance with CSD's weatherization policies, procedures, and installation standards.
- C. Weatherization employees of Contractor and subcontractors who perform combustion appliance safety checks shall be properly trained at the Blower Door and Combustion Appliance Safety Training curriculum at the PG&E ETC--Stockton or at a CSD-approved comparable training facility; or successful completion of field training provided by CSD's contract field technicians. No employee of Contractor and subcontractor shall perform combustion appliance safety checks without having completed the required training.
- D. For weatherization services performed on HUD units, all work crews of Contractor and subcontractor who perform basic weatherization services are required to be trained in HUD-approved Lead-Safe Weatherization, although certification is not required. Although a crew supervisor can be certified as a HUD Lead Supervisor, it is not a substitute for the requirement of trained work crews.

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- E. Every assessor, inspector, and work crew of the Contractor and subcontractor who performs basic weatherization services is required to maintain and have available for reference the current CSD Conventional Home WIS and CSD Mobile Home WIS Manuals and CSD Low-Income Weatherization Assistance Program Policies and Procedures Manual when providing any weatherization services.

13. LEVERAGING ACTIVITIES

- A. Contractor is strongly encouraged to provide weatherization services to ECIP HCS-serviced dwellings using LIHEAP, DOE, and/or utility-funded weatherization services.
- B. Leveraging weatherization funds may be used to install mandatory and/or optional measures in a dwelling in any order practical to the application of weatherization measures. Client files shall be documented accordingly.
- C. Contractor shall ensure that any non-CSD leveraged-funded activity performed in conjunction with the LIHEAP Weatherization and/or the ECIP HCS program is in conformance with weatherization guidelines. If permitted by the leveraged-funding source, Contractor shall document within the Weatherization and/or ECIP client file the activity performed, date of the activity performed, and the source of the leveraged funds. If the leveraged-funding source prohibits the disclosure of such information, Contractor shall at a minimum make reference to the leveraged activity within the weatherization and/or ECIP client file.
- D. CSD ensures that this information will be utilized for the sole purpose of verifying the delivery of services. CSD also reserves the right to use a third-party inspector to review and verify that the leveraged-funded activities conform to applicable standards and practices. Contractor shall ensure that duplicate billings for the same product or service do not occur.

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DEFINITIONS

Agreement, This: The complete contents of this contract entered into by and between the State and Contractor, including all rights, duties, and obligations, whether expressed or implied, required toward the legal performance of the terms hereof.

American Indian (also known as Native American): Any individual who is a member or a descendant of a member of a North American tribe, band, or other organized group of native people who are indigenous to the continental United States or who otherwise have a special relationship with the United States through treaty, agreement, or some other form of recognition, residing within the State. This includes any individual who claims to be an Indian and who is regarded as such by the Indian community of which he or she claims to be a part. This definition also includes Indians of Alaska.

Authorized Agent: The duly authorized representative of the Board of Directors of Contractor and duly elected or appointed, qualified, and acting officer of the State. In the case of Contractor, the State shall be in receipt of board resolution affirming an agent's representative capacity to bind Contractor to the terms of this Agreement.

California Certified Inspector/Risk Assessor Contractor: An individual who is certified by the State of California, Department of Health Services, as a lead-related construction Inspector/Risk Assessor.

California Energy Commission (CEC) Climate Zone: The CEC established 16 climate zones that represent a geographic area and that have a particular weather pattern. These climate zones are based on energy use, temperature, weather, and other factors that determine the types of building standards that are subject to the Title 24 Energy Efficiency Standards and that dictate the energy conservation measures which must be installed in a weatherized dwelling, as required by law.

Certified Lead-Free: Residential property that has been determined by a California Certified Inspector/Risk Assessor Contractor to be absent from the presence of lead-based paint.

Certified Lead-Safe: Residential property in which lead-painted surfaces are intact and/or have been treated with measures to stabilize and eliminate lead-paint hazards and that, as such, poses no immediate threat to the occupants as determined by a California Certified Inspector/Risk Assessor Contractor.

Children: Members of a household who have not attained their nineteenth (19th) birthday.

CLASS: California LIHEAP Automated Services System.

CLASS Database Transfer: A method used by "precertified" contractors to electronically transmit data from a local database to the CLASS System.

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CLASS On-Line Entry: A method that allows contractors to directly input client information into the California LIHEAP Automated Services System.

Client Intake: Includes, but is not limited to, the process of completing an intake form and reviewing applicant documentation in order to verify eligibility. Intake is reimbursable as a program support activity.

Client Needs Assessment: The act of acquiring additional and appropriate information from an eligible client to determine the needs that can be served by CSD and other available programs AFTER eligibility has been established.

Contractor: The entity (partnership, corporation, agency, or association) designated on page 1 of this Agreement.

Crisis: Weather-related and/or supply-shortage emergencies and other household energy-related emergencies that negatively impact the energy-related economic conditions of low-income households. A crisis can be caused by:

- a. Cold or hot weather related events, such as flood, earthquake, tornado, hurricane, ice storm/freeze; or events meeting such other criteria as the Governor, and/or the President of the United States, at their discretion, and/or their designee, may determine to be appropriate; or
- b. Geopolitical events, such as wars, terrorism, civil disturbances, and embargoes, including geopolitical events that negatively impact the energy-related economic conditions of low-income households.

CSD: The Department of Community Services and Development, State of California.

Database Transfer: A method wherein contractors utilize a local database platform to provide CSD with downloaded client data.

Di Minimis Levels: The amount of lead paint disturbed in a dwelling is comprised of two (2) square feet per room of interior surfaces, or twenty (20) square feet of exterior surface, or ten percent (10%) of a small component, e.g., window sill, baseboards, and trim. When calculating the di minimis level, the entire surface of the component must be included in the computation. For example, when replacing a 2 x 3 foot window, the di minimus level would be six (6) square feet and would exceed the maximum allowance for interior surfaces and the unit would be subject to HUD Regulation.

DOE: The Energy End Use and Integrated Statistics Division (EEUISD) developed the zones from seven distinct climate categories originally identified by the American Institute of Architects (AIA) for the U.S. Department of Energy and the U.S. Department of Housing and

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Urban Development. These climate zones are not to be confused with those established by the California Energy Commission (CEC) to meet Title 24 requirements.

DOE Climate Zone: The Energy End Use and Integrated Statistics Division (EEUISC) developed the zones from seven distinct climate categories originally identified by the American Institute of Architects (AIA) for the U.S. Department of Energy and the U.S. Department of Housing and Urban Development. These climate zones are not to be confused with those established by the California Energy Commission (CEC) to meet Title 24 requirements.

Dwelling Assessment: The process of performing an on-site review of the dwelling unit of an eligible applicant in order to determine the labor and materials necessary to install energy conservation measures.

Dwelling Unit: A house, including a stationary mobile home, an apartment, a group of rooms, or a single room occupied as separate living quarters.

Elderly: An individual 60 years of age or older.

Electric Base Load Measure: A measure that addresses the energy efficiency and energy usage of lighting or appliances. Allowable electric base load measures are compact fluorescent lamps and fixtures, replacement refrigerators, electric water heaters, microwave ovens, fluorescent torchiere lamps, evaporative cooler installations, and window/wall air conditioner replacement.

Emergency: The term “emergency” under this Agreement is defined as any one or more of the following conditions:

- a. A natural disaster;
- b. A significant home energy supply shortage or disruption;
- c. A significant increase in the cost of home energy, as determined by the Secretary;
- d. A significant increase in home energy disconnections reported by a utility, a State regulatory agency, or another agency with necessary data;
- e. A significant increase in participation in a public benefit program such as the food stamp program carried out under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the national program to provide supplemental security income carried out under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or the State temporary assistance for needy families program carried out under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), as determined by the head of the appropriate Federal agency;
- f. A significant increase in unemployment, layoffs, or the number of households with an individual applying for unemployment benefits, as determined by the Secretary of Labor;
or

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- g. An event meeting such criteria as the Secretary, in the discretion of the Secretary, may determine to be appropriate.

Energy Burden: The expenditures of the household for home energy divided by the income of the household.

Energy Conservation Measures (also known as Weatherization Measures): A wide variety of measures installed in or applied to the dwelling to increase the energy efficiency or to reduce the total energy expenditures of the dwelling.

Evaporative Cooler Repairs: Repair or replacement of filter pads, water pumps, belts, motors, or other components that promote efficient operation of the unit.

Excess Revenue: The difference between “Total Actual LIHEAP Revenue” less “Total Actual LIHEAP Costs.” If “Total Actual LIHEAP Revenues” are less than “Total Actual LIHEAP Costs, there is no excess revenue.

Expatriate Corporations (Public Contract Code, section 10286.1): An "expatriate corporation" means a foreign incorporated entity that is publicly traded in the United States to which all of the following apply:

- a. The United States is the principal market for the public trading of the foreign incorporated entity.
- b. The foreign incorporated entity has no substantial business activities in the place of incorporation.
- c. Either clause i. or clause ii. applies:
 - i. The foreign entity was established in connection with a transaction or series of related transactions pursuant to which (I) the foreign entity directly or indirectly acquired substantially all of the properties held by a domestic corporation or all of the properties constituting a trade or business of a domestic partnership or related foreign partnership; and (II) immediately after the acquisition, more than 50 percent of the publicly traded stock, by vote or value, of the foreign entity is held by former shareholders of the domestic corporation or by former partners of the domestic partnership or related foreign partnership. For purposes of subclause (II), any stock sold in a public offering related to the transaction or a series of transactions is disregarded.
 - ii. The foreign entity was established in connection with a transaction or series of related transactions pursuant to which (I) the foreign entity directly or indirectly acquired substantially all of the properties held by a domestic corporation or all of the properties constituting a trade or business of a domestic partnership or

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related foreign partnership; and (II) the acquiring foreign entity is more than 50 percent owned, by vote or value, by domestic shareholders or partners.

(iii) For purposes of this subparagraph, indirect acquisition of property includes the acquisition of a stock share, or any portion thereof, of the owner of that property.

Family Unit: All persons living together in a dwelling unit.

Fuel Surcharge: A factor that addresses the increase in current fuel prices.

General Heat Waste Measures: Those measures installed to reduce general heat or cooling waste in the dwelling. The following list of general heat waste measures may be installed in all types of dwellings if feasible, including multi-unit dwellings and manufactured homes:

- a. Evaporative cooler covers and air conditioner vent covers;
- b. Hot water flow restrictors;
- c. Water heater blankets; and
- d. Water heater pipe wrap.

Hazardous Condition: Any condition posing an immediate health and safety threat to the client and/or persons working in the dwelling unit. Hazardous conditions include, but are not limited to: Combustion Appliance Safety (CAS) hazards, appliance-related hazards, and electrical hazards as defined in the CSD Inspection Policies and Procedures.

Heating/Air Conditioning Appliance Repairs/Replacements: The complete unit replacement cleaning of fuel nozzles and jets, adjustments of gas pressure and/or air/fuel mixture, replacement of thermocouples, adjustment of refrigerant charge, filter replacements, or other component repairs or replacements necessary for safe and efficient operation. Must be accomplished by a person licensed to perform such work. Special licensing may be required for the installation and/or repair of Evaporative Cooler, Air Conditioning, Gas and Electric Water Heaters, and HVAC systems if two or more weatherization measures are not installed in a single unit. Electrical wiring upgrade/replacement and knob-and-tube wiring certification will always require a C-10 license. If required by local jurisdiction, a building permit must be obtained and finalized for vented appliance installations.

Highest Home Energy Needs: The home energy requirements of a household determined by taking into account both the energy burden of such household and the unique situation of such household that results from having members of vulnerable populations, including very young children (0-5), individuals with disabilities, and frail older individuals (60+).

Home Energy Rating System (HERS) Provider, also referred to as HERS Rater: An entity or individual recognized by the California Energy Commission as a HERS Provider and certified in

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performing the necessary field and diagnostic testing verifications for demonstrating compliance with the 2005 Building Energy Efficiency Standards.

HUD Unit: A housing unit participating in a U.S. Department of Housing and Urban Development (HUD) Assisted Housing Program.

Infiltration Reduction Measures: A subcategory of weatherization measures installed in or applied to dwellings to reduce or stop the uncontrolled flow of conditioned air out of the dwelling or the uncontrolled flow of outside air into conditioned areas in the dwelling done to the point of minimum ventilation requirement or it is no longer cost effective to proceed. Infiltration reduction is best accomplished with blower door technology.

Interest Income: The interest earned by a Contractor directly generated or earned as a result of unexpended LIHEAP grant funds at the end of a contract term period. The interest earned by a Contractor is income generated as a result of depositing federal funds in an interest bearing account.

Materials: Materials are those allowable items that are installed in or on the dwelling to promote energy conservation. All materials shall be in conformance with the CSD Conventional Home Weatherization Installation Standards and CSD Mobile Home Weatherization Installation Standards. Materials are budgeted and reported under Direct Program Activities.

Migrant Farm Worker: A seasonal farm worker who performs or has performed farm work during the eligibility determination period (any consecutive 12-month period within the 24-month period preceding application for program benefits and/or services) that requires travel such that the worker is unable to return to his/her domicile (permanent place of residence) within the same day.

Minor Envelope Repairs: Those repairs necessary for the effective performance or preservation of weatherization materials or to stop infiltration and general heat waste. Contractor shall maintain labor hours cost, materials cost, and required building permits in client's file. Minor envelope repairs include the following:

- a. Blower-door-identified infiltration repairs;
- b. Combustion air venting;
- c. Cover plate replacements;
- d. Entrance door modification, repair, adjustments, and/or replacement and attendant hardware (except deadbolts) into conditioned areas including frames, thresholds, and doorstops. (If the original door had a deadbolt and it can be removed and placed on the new door, then labor costs for this activity can be charged.) The installation of deadbolts in conjunction with an exterior door replacement is allowable on rental units only; however, it is not an

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allowable reimbursement when entrance doors are modified or repaired. Reimbursement will be based on the material costs for the door, the deadbolt, if applicable, and the labor.

- e. Exhaust fan repair or replacement;
- f. Floor repair for mobile home water heater;
- g. Knob-and-tube wiring “Notice of Survey by Electrical Contractor” and installation of simple overcurrent protection per the CSD Low-Income Weatherization Assistance Program Policies and Procedures Manual;
- h. Minor roof repairs and materials used to protect the materials installed from the weather;
- i. Mobile home skirting repairs to prevent animal infiltration;
- j. Patching holes in the building envelope that are too big to caulk (includes replacing attic/crawl space access covers); and
- k. Range hood damper and fireplace chimney damper repair or installation.
- l. Exclusions:
 - 1. Air conditioner and/or furnace cleaning and filter replacement;
 - 2. Kitchen cabinet repairs and retrofits that are not associated with the replacement of a range, cook top, or previously installed microwave;
 - 3. Sliding glass door repair and replacement;
 - 4. Window and glass repair and replacement; and
 - 5. Any other measure that has a chargeable line item.

Mobile Home: A manufactured home that is a permanent, full-time residential dwelling and is not used for commercial purposes.

Multi Unit Dwellings: Defined as residential dwelling structures containing more than one residential unit, including: duplexes, triplexes, fourplexes, and multi-unit apartments. For purposes of travel reimbursement to contractors, Multi-Unit Dwellings are defined multi-unit dwellings, e.g., apartments with five or more attached residential units.

Natural Disaster: A weather event (relating to cold or hot weather), flood, earthquake, tornado, hurricane, or ice storm, or an event meeting such other criteria as the Secretary of Federal Department of Health and Human Service, in the discretion of the Secretary, may determine to be appropriate.

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Non-State Entity: A business, organization, or individual that is not a State entity but that requires access to State information assets in conducting business with the State. Includes, but is not limited to, researchers, vendors, consultants, and their employees and entities associated with federal and local government and other states.

Outreach and Its Related Costs: Outreach activities are designed to ensure that eligible households, especially households with elderly and/or disabled individuals with high home energy burdens, are made aware of the assistance available. Costs relating to these activities may include: developing outreach materials (flyer/brochure information packets), advertising costs, printing costs, outreach mailers to targeted households, travel to outreach sites and related facilities, site costs, and the referral of eligible households to assistance providers in the community. Intake and assisting with the completion of an intake form are not considered outreach or a related cost.

Parties: The State of California and the Contractor.

Person with Disabilities (also known as Disabled Person): Any individual who is: (1) a handicapped individual as defined in Section 7(6) of the Rehabilitation Act of 1973; (2) under a disability as defined in Section 1614(a)(3)(A) or 223(d)(1) of the Social Security Act or in Section 102(7) of the Development Disabilities Services and Facilities Construction Act; or (3) receiving benefits under Chapter 11 or 15 of Title 38 U.S.C.

Precertified Contractor: LIHEAP contractors who are approved to use the database transfer method to electronically transmit data from their local database to the CLASS System for the ensuing contract year. To become precertified, contractors must: (1) submit to CSD by November 15 a letter stating their intent to use the database transfer method; and (2) pass CSD's certification test by December 15.

Program Costs: Includes all expenses necessary to operate a weatherization program except those costs classified as administration or other program support costs. Program support costs must be easily identified as directly benefiting the weatherization work. Indirect costs are considered administrative costs. Measures include such items not reported in the Outreach, Intake, and Client Education categories, such as: payments for purchase and delivery of materials, transportation of materials, crews, tools, and equipment to and from storage and weatherization sites; operating costs, to include maintenance and insurance of vehicles used to transport weatherization materials; storage or warehousing of materials; payment of staff involved in purchasing, inventory, and distribution of materials; and payment for labor involved in fabricating materials.

Program, This: Weatherization, HEAP, ECIP, and Assurance 16 services provided under 42 USC 8621, et seq., as amended.

Reweatherization: Measures installed outside those weatherization measures disclosed during the dwelling's weatherization assessment constitute a reweatherized dwelling. This activity is to be reported on the LIHEAP Bimonthly Monthly Activity Report as a reweatherized unit.

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Ride-along: An agency representative who accompanies a designated third-party inspector while performing on-site inspections. CSD requires that, when possible, a ride-along be sufficiently trained to make necessary corrections during inspections, thereby minimizing or eliminating the need for return trips that may inconvenience the client and/or require re-inspection in accordance with the CSD Inspection Policies and Procedures.

Seasonal Farm Worker: A person who during the eligibility determination period (any 12-month period within the 24-month period preceding application for program benefits and/or services) was employed at least 25 days in farm work or earned at least \$400 in farm work and who has been primarily employed in farm work on a seasonal basis, without a constant year-round salary.

Separate Living Quarters: Living quarters in which the occupant(s) do not live and eat with any other person(s) in the structure and which have either: (1) direct access from the outside of the building or through a common hall; or (2) complete kitchen facilities for the exclusive use of the occupant(s). The occupant(s) may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Single-Family Dwelling: A dwelling structure containing no more than one dwelling unit. For the purposes of travel reimbursement, a single-family dwelling is defined as a one-unit, single-family dwelling or a one-unit, single-residential housing dwelling with one to four attached units.

Site-built Dwelling: A conventional dwelling unit built on location, differentiated from manufactured (mobile) homes. Also known as stick-built.

State, The: The State of California, Department of Community Services and Development.

Subcontractor: An individual or business entity contracting to perform all or a portion of services covered under this agreement.

Subcontract: Contract agreement entered into by and between Contractor and Subcontractor to perform all or a portion of services covered under this agreement.

Vendor: An individual, sole proprietorship, firm, partnership, corporation, or any other business venture from which materials and goods are supplied and purchased.

Vulnerable Populations: Young children (ages 5 years or under), disabled, and elderly persons (ages 60 or older).

Weatherization Training and Its Related Costs: Training funded by T&TA allocation must have a direct application and benefit to Contractor's weatherization program and its assigned staff. Weatherization-related training activities are designed to ensure that weatherization crewmembers of the contractor and subcontractor are adequately trained in the safe and proper installation of weatherization measures. In particular, employees must be trained in lead-safe weatherization

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practices and combustion appliance safety (CAS) testing procedures. Costs associated with lead-safe weatherization, basic weatherization, blower door diagnostic, health and safety, CSD weatherization policies and procedures, and CAS trainings may include salary/wages, materials, fees, and travel. Excludes incurred costs associated with participation and attendance to policy advisory committees and workgroups.

Wood-Fueled Stoves and Fireplace Inserts: Wood-fueled stoves and fireplace inserts installed under this program must meet the listing and labeling requirements of the CSD WIS. The recipient and landlord (if applicable) must agree that the stove will remain in the residence where installed. Installation must conform to local fire and building department regulations (Department of Housing and Community Development for Manufactured Homes), must be installed by a person licensed to perform such work, or Contractor must have on file written approval of such installation by a fire department or building inspection official. A building permit is required. A wood-fueled space heater shall not be installed in a dwelling for which natural gas service is available or to replace an existing, safely operating wood-fueled space heater.



EXHIBIT H
(Standard Agreement)

(2007 LIHEAP)

CERTIFICATION REGARDING LOBBYING

DEPARTMENT OF HEALTH AND HUMAN SERVICES
FAMILY SUPPORT ADMINISTRATION

PROGRAM: **Low-Income Home Energy Assistance Program**

PERIOD: **January 1, 2007 through December 31, 2007**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Title

Signature

Agency/Organization

Date

EXHIBIT H
(Standard Agreement)
DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET

(2007 LIHEAP)

Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

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Standard Form - LLL-A

INSTRUCTION FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and ZIP Code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full name of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budgets. Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

\\Cobra\shared\Contracts\Low Income Home Energy Assistance Program\2007 LIHEAP\Exhibit H, Certification Regarding Lobbying.doc